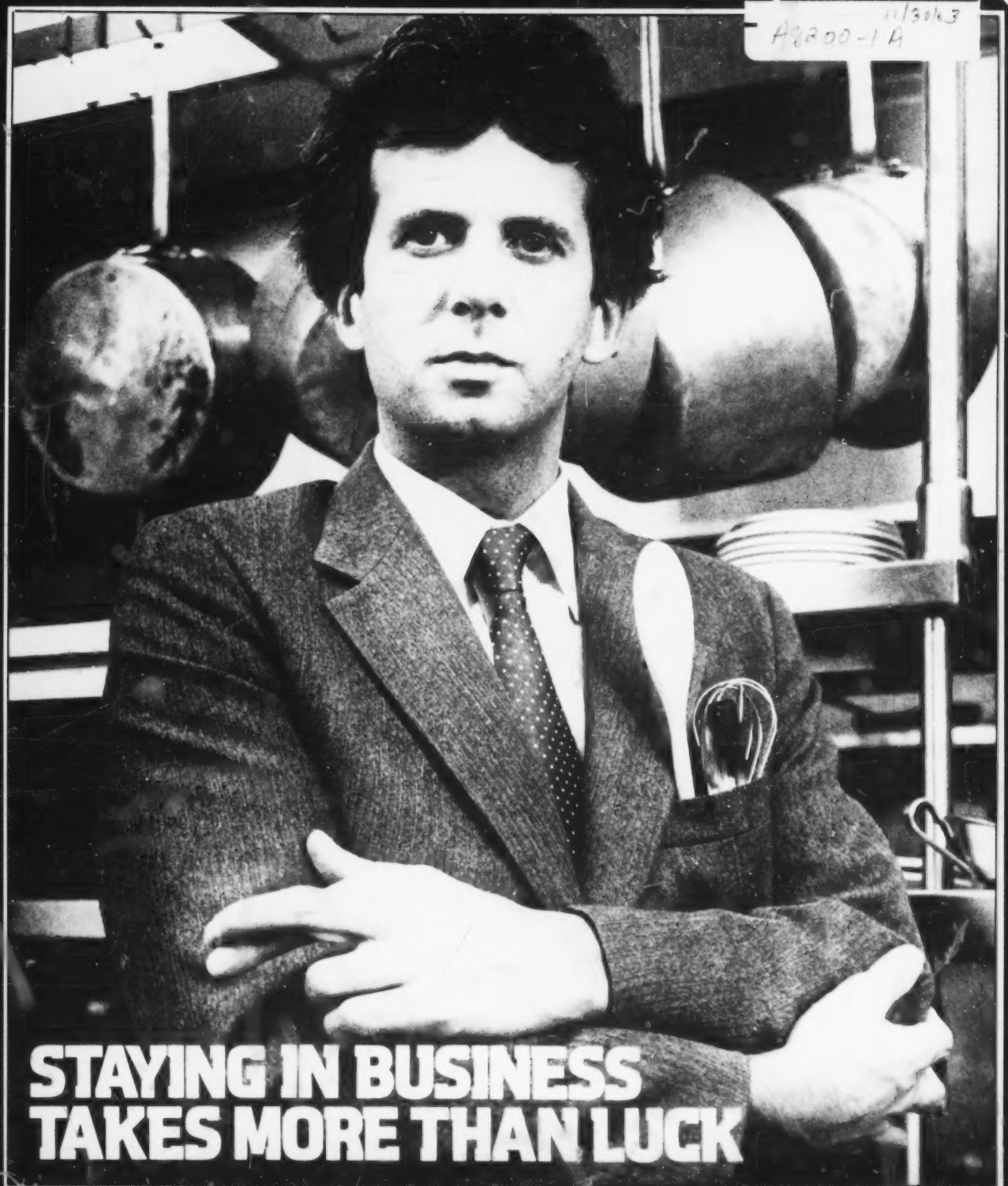
National Restaurant Association Vol. 3 No. 10 November 1983

NRA NEWS

SPECIAL PULL-OUT SEMINAR SCHEDULE

11/3043
A9200-1A



STAYING IN BUSINESS TAKES MORE THAN LUCK

Support is growing for HR 3803—the NRA-sponsored bill to amend the tip reporting law. At the urging of restaurateurs in their home district, 61 congressmen have agreed to cosponsor this bill. As your letters and phone calls pour into congressional offices, many more congressmen will agree to back this legislation.

Why are people rallying around HR 3803? The tip reporting provision in the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) is unjust to both employees and employers. It is true that waiters and waitresses, like all other citizens, must pay taxes on their earnings—including tips. But the law, which tries to ensure they do so, creates inequity.

Consider the short-term consequences of the existing law. In January countless foodservice establishments across the country will be forced to report on employee W2 forms income which may or may not have been earned. Wait staff will then be forced to prove that they did not earn that money or else they will be obliged to pay taxes on it. Think of the confusion and dismay this unprecedented procedure will cause in our industry in just a few weeks.

And the tip reporting provision has disturbing long-term implications as well. At this point, the allocation threshold is eight percent. What is to stop the Congress from raising that threshold to 10 percent, to 12 percent or 15 percent? Furthermore, what is to stop Congress from extending this totally unprecedented procedure to other industries?

Every American citizen concerned with justice must oppose the whole concept of third-party allocation.

Shortly, NRA will send you a kit full of ideas and materials to help you handle two problems

(1) to explain to employees why you have been forced to allocate and what recourse they have when they receive an allocation and

(2) to help organize your fellow restaurateurs to support HR 3803, which would delete allocation from the tip reporting provision.

Please read the materials in this kit carefully. It is important that foodservice employees know that we are opposed to the allocation procedure and are only carrying out what the law requires us to do. And it is important for Congress to know that we, as an industry, want to see the allocation procedure eliminated.

Sincerely,

Joe R. Lee
Chairman of the Board and President

NRA NEWS

Vol. 3 No. 10 November 1983

Officers
Chairman of the Board and President
Joe R. Lee
Vice President
Harris O. Machus
Treasurer
Ted Balestreri
Executive Vice President
Robert Neville
Corporate Secretary
Ruth K. Tracy

Chairman
Communications Committee
Harris H. Rusitzky
Executive Committee
Walter Conti
John G. Dankos
Thad A. Eure
Robert Flickinger
G. "Jim" Hasslocher
Larry Hilaire
Jack A. Laughery
Michael O'Neal
Jim Peterson
John L. Rian
Harris H. Rusitzky

Senior Director
Jeffrey R. Prince
Executive Editor
Steven J. Dahllof
Editor
Sylvia Rivchun
Communications Specialists
Carol A. Caprione
Elyse G. Cuttler
Government Relations Coordinator
Jay Morris
Research Analyst & Senior Writer, Foodservice Trends
Cecelia L. Niepold
Staff Contributors
Walter Ashcraft
Joan E. Campbell
Tom C. Corcoran
Dorothy Dee
Clyde L. Griffith
Kathy Groiss
Bette B. Hoyt
Cathy Kenney
Susan F. Mills
Robert A. Palmer
Andrew P. Poledor
James T. Rogers
Editorial Typist
Barbara Foley

Editorial offices and NRA headquarters
311 First Street, N.W.
Washington, DC 20001
(202) 638-6100

Chicago offices
One IBM Plaza, Suite 2600
Chicago, IL 60611
(312) 787-2525

NRA NEWS (ISSN 0465-7004) is published monthly, except combined June/July issue, by the National Restaurant Association, 311 First St., N.W., Washington, DC 20001. Membership dues include a one-year subscription to *NRA NEWS*. The non-member subscription fee is $125 per year. Second-class postage paid at Chicago, IL 60607 and additional mailing offices.

Copyright ©NRA 1983.

Postmaster, send address change to NRA News, 311 First St., N.W., Washington, DC 20001.

All rights reserved.
Reprint with permission only.

CONTENTS

Cover Story

Staying in business takes more than luck. It takes quality food and service and a sensitivity to the changing demands of the marketplace plus a great deal of management know-how.

13 How to take your restaurant's temperature. Don't miss the box of pitfalls to avoid in your restaurant.

16 Sometimes even the brightest of dreams can go dim. Here's a look at some alternatives to consider when the going gets rough.

21 A design that worked five years ago may not be appropriate today. This article provides an overview of some design trends as well as steps to follow for a successful redesign.

Related departments: Education, Foodservice Trends

Specials

Nutrition **10** Part II of NRA's five-part series on nutrition and the American restaurant. This month the focus is on the American Heart Association program.

Dining Clubs **19** A second look at dining clubs: Why they are not for everyone.

Sound Systems **25** Music combines with decor and the menu to set a restaurant's mood. Here are some tips to keep in mind when considering a new sound system.

27 How the copyright law governs musical entertainment in restaurants.

Public Relations **40** Public relations can work for you; it's not as difficult as it seems.

Departments

Short Orders **2** Two simple pointers for avoiding injuries while opening champagne bottles. New address for NRA Chicago office.

Washington Report **4** Support is growing for the NRA-sponsored bill to amend the tip reporting law. Sneak preview of IRS compliance form for tip reporting.

Board Room **7** NRA Director Monaghan purchases Detroit Tigers.

Education **8** After two years of intensive research, NRA's Hospitality Project is off and running, providing measurable standards for quality service.

Foodservice Trends **30** Exclusive NRA survey on consumer dining habits away from home. In 1981 eating and drinking place failures ranked 14 among 23 retail businesses. Summer CREST report.

Cover photograph: Harold Dorwin
Location: Courtesy of La Colline, Washington, DC

SHORT ORDER

Nominations now open for Silver Plate awards

Do you know someone who deserves the foodservice industry's highest award? If so, be sure to nominate that person for the 1984 annual Gold and Silver Plate awards, sponsored by the International Foodservice Manufacturers Association (IFMA). The awards are given in recognition of lasting and outstanding contributions to the advancement of the foodservice industry. Nominees can be any person who is engaged in the active ownership, management, supervision or employment of an establishment in one of the following eight classes of the foodservice industry: full service restaurants; fast service restaurants; hospital and health care establishments; elementary and secondary schools; colleges and universities; contract/industrial; hotels, motor inns, resorts and clubs; and public institutions and military. A silver plate is awarded annually in each of these categories. Gold Plate winners are selected from among the eight Silver Plate winners.

The Silver Plate award recipients will be chosen in February 1984 by a panel composed of last year's recipients and industry trade press editors. These recipients will be honored at a Gold and Silver Plate awards banquet on May 21, 1984 in Chicago during the NRA Show. The application deadline is December 15, 1983. For more information and application forms, contact IFMA, 875 N. Michigan Ave., Suite 3460, Chicago, IL 60611; (312) 944-3838.

California's wine history is being preserved

California's rich wine industry history is being preserved in an oral history series, thanks to funding from *The Wine Spectator* California Scholarship Fund. The Bancroft Library of the University of California at Berkeley was forced to suspend its series of interviews with leading wine personalities in 1976 because the program ran out of funding. The last person interviewed was legendary winemaker Andre Tchelistcheff, considered by many to be the dean of California winemakers.

Since the series' original inception in 1969 until its standstill in 1976, 21 interviews were completed including enology professors and wine industry executives. A special committee has been established to select future interviewees.

Safety poster for sparkling wines

Every holiday season there are hundreds of eye and facial injuries due to flying champagne corks. Most of these accidents can be avoided by following two common sense principles while opening sparkling wine bottles. The Wine Appreciation Guild in San Francisco, CA, has produced a bright orange and black poster that illustrates these procedures:

Step 1: Hold the bottle at a 45-degree angle pointed away from people. Hold cork firmly while loosening and removing wire hood. Most accidents occur when the wire hood is loosened and the cork pops unexpectedly.

Step 2: When removing the cork, grip it firmly in one hand while rotating the bottle with the other.

These caution posters are offered free of charge by the guild. The posters can be picked up or ordered from The Wine Appreciation Guild's warehouse, 60 Federal St., San Francisco, CA 94107. Please send 40 cents in stamps to cover postage for each five posters ordered.

• *NRA tip reporting work kit prepared for members*

NRA members will soon be receiving a tip reporting kit. Prepared by NRA's government relations department, the kit is an action guide developed to give foodservice operators the maximum opportunity to enhance NRA's current efforts to amend tip reporting allocation requirements. The work kit will also help you give your employees an understanding of how tip reporting allocations affect them.

• *NRA Hospitality Project under way*

NRA's Hospitality Project has developed much-needed hospitality standards for the foodservice industry. The Hospitality Project is spearheaded by two-day, train-the-trainer seminars. For more information, see the article on the Hospitality Project in this issue of ***NRA NEWS***.

• *1984 Great Menu Contest, call for entries*

Entry forms for the 1984 NRA Great Menu Contest will be mailed out to members in early December. If you do not receive your entry form, contact NRA's communications department. Deadline for entries is Feb. 29, 1984.

• *New NRA consumer research study released*

NRA's latest research study, *Consumer expectations with regard to din-*

Keeping up with the catch

According to the National Fisheries Educational Research Foundation, supplies of fish are excellent. Fresh/frozen inventories of many species are up from a year ago, including salmon, cod, flounder, sole, Greenland turbot and whiting.

New England: Supplies of haddock, cod, pollack and ocean perch look good. . . flounder relatively plentiful . . . quahogs and lobsters plentiful . . . sea bass in pretty good supply.

Mid–Atlantic: Both fresh and pasteurized blue crab meat in excellent supply . . . oysters came into season in September and remained plentiful through October . . . spot, whiting, croaker and bluefish in good supply.

Southeast/Florida: Smaller sizes of rock shrimp coming in very well . . . black drum landings heavy . . . shark and blue crab plentiful . . . frozen spiny lobster inventories heavy.

Texas/Gulf: The hurricane has created a tight supply situation for most species . . . oysters are tight but should pick up in November . . . crab is in moderate supply . . . rock shrimp plentiful . . . spiny lobster continue strong. . . mullet in good supply . . . some red snapper available.

Midwest: Good fishing in the Great Lakes this year . . . large catches of whitefish and trout, and as weather cools, lake perch and walleye pike availability will increase.

West Coast: Quotas of widow rockfish, canary and yellowtail rockfish will have been reached by mid September . . . anticipate tight supplies and rising prices for these species through end of year . . . Pacific Dover sole and ling cod in good supply . . . a lot of sablefish being landed . . . some thresher shark and swordfish coming in . . . salmon continues strong.

If you would like to stay abreast of seafood supplies and other related information, contact the National Fisheries Education and Research Foundation, 111 E. Wacker Dr., Chicago, IL 60601. The foundation publishes a bimonthly newsletter called "The Seafood Signal."

Effective December 12, the NRA Chicago office will move to 1 Park Plaza, Suite 2000, Chicago, IL 60601. Please make a note of this change in address.

Oyster cook-off uncovers new recipes

If your customers are not fond of oysters straight from the shell, try some of the winning recipes from this year's St. Mary's County Annual Oyster Cook-off. Cooks from across the mid-Atlantic states vied in the competition in three categories—main dishes, hors d'ouevres and soups and stews. Winning recipes included brandied oysters and mushroom soup, oyster spinach bisque, mandarin oyster salad with tangy lemon sauce, and oyster strudel. The grand prize winner—oysters Kevindon—is an hors d'ouevres that features a white sauce with black caviar, sherry and Parmesan cheese.

Marion Burros, restaurant critic for the *New York Times*, Anne MacKenzie, food editor of *The Aegis* and William Taylor of *The Dinner Designer* judged the competition.

For copies of the St. Mary's County winning cook-off recipes, send $1.00 to St. Mary's County Economic Development Commission, Box 351, Leonardtown, MD 20650. Twenty-eight recipes are included in the cook-off cookbook.

Help for international travelers

The American Hotel & Motel Association's (AH&MA) International Travel Committee, in cooperation with Signs of Safety, Inc., has developed a comprehensive brochure that will help the international traveler overcome language barriers. The brochure, entitled *One World—One Language*, contains 156 international pictorial symbols that can be readily understood when posted in important places, such as doorways, elevators and stairways.

The symbol signs are available in six categories: information, safety, fire, warning, prohibition and telephone. Examples include signs that specify the location of currency exchanges, rest rooms, emergency exits and restaurants, as well as signs that indicate no smoking, no drinking and no pets allowed. These internationally recognized symbols can help eliminate frustrating attempts by your foreign guests to communicate through words.

For more information and free copies of the brochure, contact Signs of Safety, Inc., P.O. Box 10049, Department R, Portland, ME 04104, or call (207) 774-0958.

Initiative conferences for women

The Small Business Administration's (SBA) Office of Women's Business Ownership is sponsoring a series of national initiative conferences around the country. These conferences are designed to provide high quality hands-on training in a broad range of business skills.

The conferences will have two track training: one for those contemplating business ownership and start-up businesses; the other for those who are ready to expand or diversify.

For further information, contact
Susanne Howard, conference coordinator
Office of Women's Business Ownership
1441 L St., N.W.; Room 414
Washington, DC 20416

ing at fast food restaurants, has just been released. Look for a summary in an upcoming issue of ***NRA NEWS***. Two companion surveys focusing on consumer expectations in atmosphere restaurants and family restaurants will be released later this year. For more information on these and other NRA research reports, contact NRA's research department in Washington, DC.

• *NRA's six-month seminar schedule published*

Start planning your educational calendar for next year with NRA's six-month schedule for January through June 1984. The schedule is included in this issue of ***NRA NEWS*** as a special pull-out section.

WASHINGTON REPORT

Support for tip reporting bill grows

More members of Congress have rallied behind an NRA-backed bill to make the new tip reporting law more equitable for employees and employers. This bill—H.R. 3803—is gaining cosponsors in the House where it was introduced in August by Reps. John Duncan (R-TN) and Andrew Jacobs (D-IN). As this issue of the *NRA NEWS* went to press, 46 representatives had decided to cosponsor the bill. NRA has stepped up its drive for congressional support of the measure.

"The existing tip reporting law is unfair to employees and employers," NRA President Joe Lee said at a recent meeting of NRA's Board of Directors. "I'm delighted to see support growing so rapidly for NRA's amendment. People are beginning to see that our bill provides a just solution." The board met in Washington in late September, and many NRA directors made visits to Capitol Hill to discuss the tip reporting issue.

Rep. Carroll Campbell, Jr. (R-SC), a sponsor of H.R. 3803 and a member of the House Ways and Means Committee, told the board that the Duncan-Jacobs bill "is the right way to go."

NRA President Joe Lee (center) and Government Relations Director Ron Sarasis (right) confer with Sen. Orrin Hatch (R-UT) at a recent NRA meeting in Washington. Sen. Hatch, a guest speaker during a Board luncheon, emphasized the importance of business people getting involved in the political process. The conservative, second-term senator is chairman of the Labor and Human Resources Committee.

Campbell added that the most effective lobbying on the bill would come from constituents. "Let your employees tell the story to Congress," he suggested.

NRA Government Relations Director Ronald Sarasin said that NRA, with the cooperation of the state associations and individual restaurateurs, would continue to "make Congress aware of the burden this new law has placed on our industry.

"Unfortunately," said Sarasin, "many in Congress aren't aware of the effect this new law has on restaurants—the basic unsoundness of it and the severe difficulties it places on employers in complying with the allocation process."

Sarasin explained that the Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982—the legislative vehicle used by Congress to pass the tip reporting law—was a large, complex bill encompassing many changes in the tax code. "It originated in the Senate and was never carefully examined in the House before Congress approved it. Many representatives didn't even know the tip reporting requirements were in it, or at least they didn't realize what these changes would mean to restaurateurs. Our job now is to educate them and let them know that H.R. 3803 will make the law workable."

Sarasin said NRA hopes to generate enough support for the bill to have hearings called before the Ways and Means Committee. NRA will also push to have companion legislation introduced in the Senate.

For more information about the bill, and arguments you can use in talking to your congressman, contact the NRA Government Relations Department in Washington, DC; (800) 424-5156.

Sponsors of H.R. 3803

- John Duncan (R-TN)
- Andrew Jacobs (D-IN)

Cosponsors of H.R. 3803

Democrats

1. Gus Yatron (D-PA)
2. Ron Wyden (D-OR)
3. Ray Kogovsek (D-CO)
4. Jim Bates (D-CA)
5. Charles Whitley (D-NC)
6. Dan Daniel (D-VA)
7. Ronald Tallon (D-SC)
8. Tony P. Hall (D-OH)
9. Stephen Lazen, Jr. (D-TX)
10. Ike Andrews (D-NC)
11. Barney Frank (D-MA)
12. Tim Valentine (D-NC)
13. Katie Hall (D-IN)
14. William Hughes (D-NJ)
15. Tony Coelho (D-CA)
16. Patricia Schroeder (D-CO)
17. Alan E. Steelman (D-OH)

Republicans

1. Gene Taylor (R-MO)
2. William Dickinson (R-AL)
3. Pat Roberts (R-KS)
4. Pete Marlenee (R-MT)
5. Lyle Williams (R-OH)
6. Phil Gramm (R-TX)
7. William Whitehurst (R-VA)
8. Jerry Lewis (R-CA)
9. Larry Hopkins (R-KY)
10. J.P. Hammerschmidt (R-AR)
11. Bob McEwen (R-OH)
12. Carroll Campbell (R-SC)
13. Tom Kindness (R-OH)
14. Hamilton Fish (R-NY)
15. Thomas J. Bliley (R-VA)
16. James H. Quillen (R-TN)
17. Lawrence S. Fidler (R-MD)
18. J. Kenneth Robinson (R-VA)
19. David L. Hiller (R-CA)
20. F. James Sensenbrenner (R-WI)
21. Gene Snyder (R-KY)

Form 8027 for tip reports

The Internal Revenue Service has released a draft of the form to be used by restaurateurs in complying with the new tip reporting law. Called "Employer's Annual Information Return of Tip Income and Allocated Tips," the form has been given the number 8027. Although the form (reproduced in this column) is subject to change and Office of Management and Budget approval, NRA does not foresee any major changes.

Of particular interest to restaurateurs is the apparent elimination of some of the paperwork required by the regulations. The regulations state that an employer must submit the name and Social Security number of all employees to whom an allocation is made or a photocopy of those employees' W-2 forms. Now it appears IRS will drop this requirement entirely. Instead, the 8027 will simply ask for the total number of directly tipped employees in the establishment in 1983.

The form provides two reporting columns—one for the first quarter of 1983 and another for the period of April through December 1983. Employers will record the following in the appropriate column:

1) total charged tips,

2) total charged receipts (other than nonallocable receipts) on which there were charged tips,

3) total amount of service charges of less than 10 percent paid as wages,

4a) total tips reported by indirectly tipped employees,

4b) total tips reported by directly tipped employees,

4c) total tips reported,

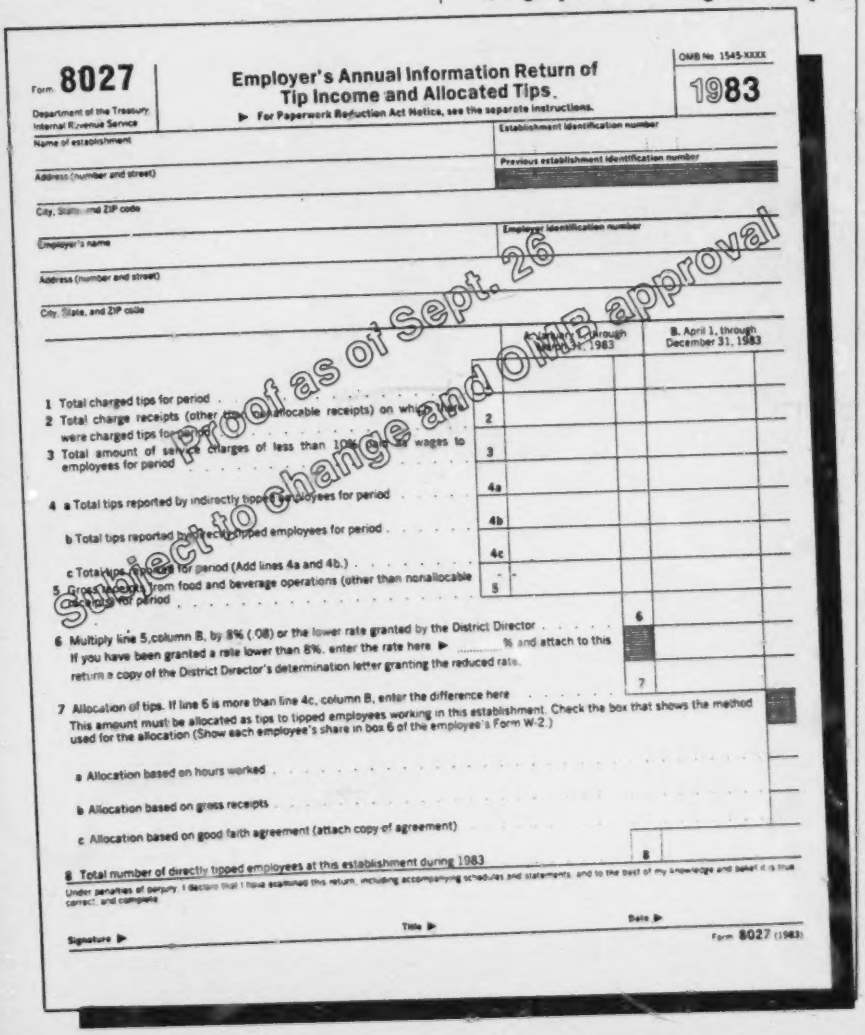
5) total gross receipts (minus nonallocable receipts),

6) eight percent of total gross receipts,

7) allocated tips and

8) total number of directly tipped employees in the establishment.

In addition, employers must indicate which method of allocation they used—"good faith" or IRS formula. If a good faith agreement is used, a copy of it must be attached to the 8027 form.



Form 8027 — Employer's Annual Information Return of Tip Income and Allocated Tips. — 1983

Department of the Treasury, Internal Revenue Service

▶ For Paperwork Reduction Act Notice, see the separate instructions.

OMB No. 1545-XXXX

Name of establishment

Establishment identification number

Address (number and street)

Previous establishment identification number

City, State, and ZIP code

Employer's name

Employer identification number

Address (number and street)

City, State, and ZIP code

		A. January 1, through March 31, 1983	B. April 1, through December 31, 1983
1	Total charged tips for period		
2	Total charge receipts (other than nonallocable receipts) on which there were charged tips for period		
3	Total amount of service charges of less than 10% paid as wages to employees for period		
4a	Total tips reported by indirectly tipped employees for period		
4b	Total tips reported by directly tipped employees for period		
4c	Total tips reported for period (Add lines 4a and 4b.)		
5	Gross receipts from food and beverage operations (other than nonallocable receipts) for period		
6	Multiply line 5, column B, by 8% (.08) or the lower rate granted by the District Director. If you have been granted a rate lower than 8%, enter the rate here ▶ ____ % and attach to this return a copy of the District Director's determination letter granting the reduced rate.		6
7	Allocation of tips. If line 6 is more than line 4c, column B, enter the difference here. This amount must be allocated as tips to tipped employees working in this establishment. Check the box that shows the method used for the allocation (Show each employee's share in box 6 of the employee's Form W-2.)		7
	a Allocation based on hours worked		
	b Allocation based on gross receipts		
	c Allocation based on good faith agreement (attach copy of agreement)		
8	Total number of directly tipped employees at this establishment during 1983		8

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete.

Signature ▶ Title ▶ Date ▶

Form 8027 (1983)

Subject to change and OMB approval
Proof as of Sept. 26

O'Neill kills immigration bill

In a move that surprised many, House Speaker Thomas (Tip) O'Neill (D-MA) last month said he would block any attempts to bring up for floor consideration H.R. 1510—the Immigration Reform and Control Act. That move effectively kills the bill, which had been opposed by a number of groups.

Many in Congress expected the bill to be taken up this fall; it had been reported from the Judiciary Committee earlier this year and was pending in the Rules Committee. Similar legislation had been approved by the Senate earlier this year.

However, primarily for political reasons it appears, O'Neill felt it best not to consider the bill this year. O'Neill said he had heard a rumor that if the legislation passed, President Reagan planned to veto it in order to gain votes from Hispanics in the 1984 election. The bill was bitterly opposed by this group, whose members said it would result in discrimination against workers who appear to be foreign-born.

By postponing a vote on the legislation, O'Neill avoided a potential presidential veto that would work against his party. He also saved his fellow Democrats from making a difficult vote on a bill that would have repercussions during next year's elections since many of the groups opposed to the bill have traditionally supported the Democratic party.

Although NRA did not actively oppose the legislation, it did have concerns about the paperwork and employer sanction provisions of the bill. NRA found the House version more acceptable than the Senate bill because the House measure contained an NRA-backed amendment that would make employer recordkeeping optional.

Rep. Campbell speaks to NRA board about tip reporting, job credits, youth opportunity wage

"I don't see anything drastic coming out of Ways and Means in the way of tax legislation this year," U.S. Rep. Carroll Campbell, Jr. (R-SC) told NRA directors during their fall meeting in Washington. Campbell is on the powerful House tax-writing panel and spoke to the NRA Board of Directors during its government relations committee meeting.

Campbell, a former restaurant executive and a sponsor of the NRA-backed tip reporting bill (H.R. 3803), said, "There's no enthusiasm for raising the $8 to $12 billion required by this year's budget resolution." He stated that the Ways and Means Committee would probably make rather "narrow" changes in laws governing employee fringe benefits, various leasing arrangements and taxes on the life insurance industry. And it may move to close some loopholes.

Campbell noted that he voted against last year's tax bill, and he characterized the new tip reporting requirements contained in the bill as "particularly onerous."

The third-term congressman said he felt H.R. 3803 "is the way to go" and that it has "a chance of passing" if the industry works hard at getting constituents to contact their congressmen.

Campbell also said that he supported extension of the Targeted Jobs Tax Credit (TJTC), used by many foodservice employers in hiring individuals from nine federally-designated groups. Employers who hire such individuals are eligible for a tax credit of up to $3,000 of the individual's first-year wages and up to $1,500 of second-year wages. TJTC was extended for two years by Congress last year but will expire after Dec. 31, 1984 if Congress does not extend it again.

Campbell also told the group that he and Budget Committee Chairman Jim Jones (D-OK) have introduced legislation to reduce federal expenditures in entitlement programs, which now make up 51 percent of the federal budget and automatically increase according to changes in the Consumer Price Index (CPI). Campbell said his bill could save the government $180 billion by 1990 simply by disallowing increases on the first two-percent change in the CPI.

Representative Campbell

Campbell is also the sponsor of legislation to provide for a youth opportunity wage for teens. The bill would allow employers to pay teens 85 percent of the minimum under certain circumstances. He admitted that the legislation had little chance of moving because it is strongly opposed by labor.

FDA receives reports on effects of sulfites

The Food and Drug Administration (FDA) has received 140 reports that link the consumption of foods treated with sulfitic preservatives to adverse reactions. Sodium bisulfite and other sulfitic agents—often used to prevent browning in fresh fruits and vegetables—are now under study by the agency. According to FDA sources, changes in the rules governing their use may be proposed next year.

Reactions to the chemical are reported to include nausea, diarrhea, shock, acute asthma attacks and loss of consciousness. They are reported to have occurred soon after eating restaurant salads or other foods, eating certain processed foods or drinking wine and other beverages containing sulfites. FDA also says it has received reports of adverse reactions experienced by foodservice personnel who handle sulfitic agents and by persons who take prescription medications.

While most of the reactions have occurred among asthmatics, FDA says that about 30 percent of the reported cases occurred in non-asthmatics with no known allergies. "The number of people at risk for reactions is not known but may be large," FDA says.

FDA has invited doctors who know of confirmed or suspected reactions to sulfites to report them to the agency. It also has suggested that doctors remind patients who are asthmatics to ask before ordering at restaurants if the food has been treated with sulfitic agents.

In addition, FDA is said to be planning a "mini-survey" on the use of sulfites in both fresh and processed foods, including restaurant foods. It also has considered setting up an advisory committee to study the use of the preservatives in foods and drugs.

Last year FDA proposed that sulfitic agents remain on the agency's Generally Regarded As Safe (GRAS) list with minor restrictions. After the FDA proposal was published, the Center for Science in the Public Interest charged that use of the chemical was linked to severe reactions in at least 12 cases that showed "near-fatal hypersensitivity reactions" in some people. The public interest group maintained that use of the chemical should be banned. FDA subsequently extended its comment period on the proposal, and NRA asked FDA to undertake testing to measure the safety of sulfites when used as directed on fresh foods.

In February, NRA recommended that restaurateurs stop using these preservatives until FDA completes studies to ascertain their safety. At this point, sulfites still remain on FDA's GRAS list. But a new proposal concerning the GRAS status of sulfites is under consideration.

In the meantime, FDA has advised companies operating interstate that consumers must be notified if sulfitic agents are used on products intended for raw consumption. It also has made changes in its "model" health code (adopted by about half the states) that requires restaurant, grocery and other retail food establishments to inform customers of the use of sulfites.

—Jay Morris

THE BOARD ROOM

NRA to send Tip Reporting Packet

During the fall board meeting the NRA Board of Directors decided to distribute a tip reporting information packet to members. Distribution of the packet is part of the board's ongoing effort to help members cope with the tip reporting provisions of the Tax Equity and Fiscal Responsibility Act (TEFRA). It is specifically aimed at alleviating any problems that might arise with delivery of the first W-2 forms reflecting allocated tipped income in January, 1984.

In addition to factual information on the requirements of the new law and the responsibilities of restauranteurs and restaurant employees, the packet will educate members on standard lobbying techniques. It will provide instructions for

- educating employees on what the allocated figure really means and what to expect from the IRS. A sample mailer for employers will illustrate and explain the new W-2 form
- directing employee anger toward the legislation which requires management to allocate tipped income
- dealing with unionization efforts
- forging an effective coalition of local restauranteurs and restaurant employees
- effectively communicating with local legislators
- developing local petitions, position statements and other grassroots lobbying materials
- setting up meetings with members of Congress during the "district work period" and
- determining the compliance costs of the new law.

The packet will be mailed to NRA members in December.

President Lee: An NRA presence across the nation

Since assuming leadership of NRA last May, President Joe R. Lee has been a frequent guest speaker at regional foodservice shows and state association meetings. Activities for the month of October alone include presentations before the Multi-Unit Food Service Operators Conference (MUFSO) in Los Angeles, CA; the Southeastern Hospitality and Foodservice Show in Atlanta, GA; the Midwest Foodservice and Equipment Exposition in Kansas City, MO; and addresses before members of both the Iowa and Michigan restaurant associations.

Recent speeches highlighted emerging trends that offer both challenge and promise to foodservice operators, such as consumer interest in ethnic foods, nutrition and quality service.

Balestreri to head California Restaurant Association

Ted J. Balestreri, NRA treasurer and co-owner of the Sardine Factory in Monterey, CA, has been elected president of the California Restaurant Association (CRA) for the year beginning September 1983.

NRA Treasurer Ted J. Balestreri poses with Culinary Institute of America student Roland J. Roy, Jr., during the American Academy of Achievement's 22nd Annual Salute to Excellence Weekend. Roy was one of many high school and technical students honored during the symposium. Balestreri sponsored Roy.

This latest honor caps many in a distinguished foodservice career. During his 20 years in foodservice, Balestreri has been frequently called to leadership positions. His recent appointment follows positions as president of the Northern California Restaurant Association, forerunner of the California Restaurant Association, and president of the Monterey Peninsula Hotel and Restaurant Association, an organization that he helped found.

In addition to the Sardine Factory, Balestreri operates the Rogue Restaurant in Monterey, the Carmel Butcher Shop and The San Simeon Restaurant. Current projects include the development of a new multi-million dollar hotel-restaurant complex on Cannery Row in Monterey.

Balestreri succeeds A.L. Sanford of Griswold's in Claremont, CA, as head of CRA.

Monaghan purchases Detroit Tigers

NRA Director Thomas S. Monaghan, founder, president and chairman of the board of Domino's Pizza, Inc., Ann Arbor, MI, recently bought the Detroit Tigers, one of the most prestigious sports franchises in the U.S.

Monaghan purchased the Tigers, a major league baseball team that dates back to 1876, from John Fetzer, a Kalamazoo, MI, broadcasting millionaire and sole owner of the team since 1962. The sale covers the Tigers franchise in the American League, major league player contracts and rights to minor league players.

The Tigers, who won the World Series in 1968, distinguished themselves during the recent season by finishing second behind the Baltimore Orioles in the Eastern division of the American League.

Commenting on the recent sale to Monaghan, Fetzer said, "Numerous offers have come to the Tigers from many qualified buyers in the past, but I have selected Tom Monaghan as a person who, in my opinion, will serve the best interests of the city of Detroit and the fans of the Detroit Tigers. As a successful businessman and a sportsman he will, I predict, soon become a leading club owner in the great institution of baseball." *—Dorothy Dee*

EDUCATION

THE HOSPITALITY PROJECT
applies standards to service

by Aaron Donatello

Most people agree the key to success in the restaurant industry is repeat business. Advertising, promotion and location bring customers in at least once. What brings them back? Recent research involving restaurant owners, managers, employees and customers has confirmed what many already know: Quality food, service and sanitation top the list as the three most important factors in repeat business.

Of the three attributes, service is the most difficult to control and evaluate. Research has shown that restaurant owners, managers and staff view service differently than do their guests. Restaurant operators and employees define service in terms of flair, smoothness, speed and dexterity; in other words, a technical perspective. When queried about their own satisfaction from service, guests respond in terms of courtesy, concern, friendliness and caring—a viewpoint best translated as hospitality. Therefore, customer needs suggest service be thought of as hospitality.

If hospitality is critical to the success of an operation, why shouldn't it be measured and controlled in the same manner as product quality and sanitation? Operators have consistently developed standards for recipes, production, storage, sanitation and decor. These standards are used in written guidelines for achieving measurable performance and as the foundation of training and evaluation.

The National Restaurant Association's Hospitality Project has developed the same type of standards for service. A product of two years of commitment and research, the Hospitality Project is now being offered to the foodservice industry as a comprehensive training program, complete with certification. Individual train-the-trainer workshops have been designed for full-service, fast food and cafeteria restaurants.

After two years of intensive research, The Hospitality Project is off the ground. The workshop provides operators and their staffs measurable standards for quality service—whether the operation is a full-service restaurant, a cafeteria or a fast food operation.

The Hospitality Project begins with a customizing process for standards identification and follows through with training, maintenance and certification programs. The project is presented in a two-day workshop format involving lecture, breakout groups and team presentations to familiarize attendees with the materials. The *Management Hospitality Guide*, which accompanies the program, provides

- restaurant hospitality standards
- tools for hiring hospitable staff
- programs for teaching management and staff hospitality standards
- ideas and tools for rewarding and maintaining new hospitality skills and
- operating policies and procedures that support hospitality standards.

Critical moments...

The research that preceded the Hospitality Project identified five critical moments in guest satisfaction in full service restaurants: greeting, seating, serving, guest departure and maintaining hospitality. Cafeterias and fast food operations have only four critical moments as seating is omitted. These areas are further broken down into 30 individual standards of hospitality.

However, even with the most complete list, employee hospitality standards cannot be met unless there is a workable management policy behind them. If restaurant management doesn't have in place the policy, procedure or mechanism to allow it to happen, then the standard can't be met—at least not on a consistent basis.

With this in mind, the Hospitality Project provides standards worksheets. During the workshop they are presented in such a way as to focus attention on "being part of the solution" vs. "being part of the problem." Potential operational problems or "barriers" which could prevent complete fulfillment of each standard are noted with corresponding "action steps to be taken" to overcome resistance.

To establish the framework for hospitality in an operation, it is recommended that owners, managers and possibly key employees go through this standard customization process to assure that the very best ideas are examined. This way management and employees "buy into" the policies and procedures, helping the standards to be realized.

Workshop participants wear two hats...

Attendees of the Hospitality Project workshop are encouraged to remember that they are wearing two hats, that of the learner and that of the trainer. They must learn and fully understand the workshop flow and its materials, then go back to their units to present and implement the program as project coordinator, training manager and staff. To facilitate this subsequent training process a section on improv-

ing training skills has been included.

When trainers return to the restaurant, the recommended training flow is

1. management training
2. kickoff meeting and
3. employee training.

Training sessions have been designed for practical implementation in a realistic restaurant setting. The sessions are generally no longer than one hour in presentation length with minimal prep time involved. A total of 10 training sessions (management and employee) have been prescribed. Management training focuses on the following

1. standards review
2. employee training
3. observing, coaching and rewarding performance
4. certification/daily communication and visibility and
5. hiring for hospitality.

Employee training sessions cover the five critical moments and their standards

1. greeting
2. seating (omit for fast food and cafeteria programs)
3. serving
4. guest departure and
5. maintaining hospitality.

Participants learn how to 'train others...

Trainers who attend the NRA workshop are instructed to follow the same basic outline of the two-day workshop in their operations. The method of teaching the material is also very much the same—highly interactive question-and-answer sessions using the materials provided.

The project's employee training sessions are designed so that sessions can be conducted with groups of employees from several different job functions. The format for each session is similar and employees are provided an *Employee Hospitality Manual*.

Training alone will not guarantee hospitality. Once staff members are trained in the hospitality standards, their performance can only be maintained through regular follow-up activities, including performance observation, coaching, feedback, rewarding, daily communication and management visibility. These activities are critical to keep the hospitality team concept working in a restaurant. The workshop will examine each of these activities, including some tools to be used in performing each function.

Rewarding hospitable behavior...

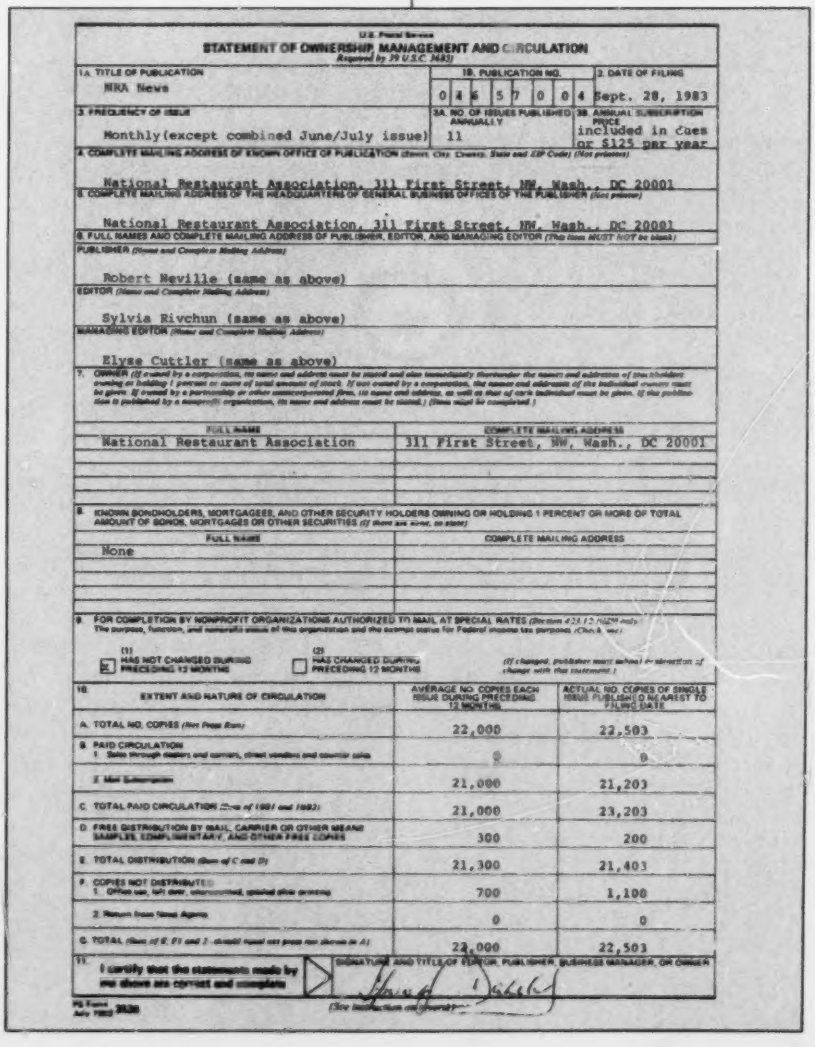
An important way to reward hospitable behavior is to certify hospitable staff in the National Restaurant Association Hospitality Project. The certification process can take place at all levels. The tangible rewards of certification include:

- *The Hospitality Project lapel pin* (distributed in quantity at the Hospitality Project Workshop)
- *The Qualified Hospitality Manager Certificate* (also received in quantity at the workshop)
- *The Qualified Hospitality Trainer Diploma* (awarded after completed Project Coordinator's Self-Auditing Checklist is mailed to the National Restaurant Association) and
- Recognition for your restaurant in the *NRA NEWS* (plus a press release to send to local media for additional publicity)

Hiring for hospitality...

Once a restaurant's current staff is trained in the Hospitality standards, maintaining the system is only possible by hiring positive, caring people who can convey a feeling of hospitality to guests. To assist towards this end, the workshop introduces an "Action Steps for Successful Interviewing Checklist" and a "Hospitality Interview Worksheet". These are discussed in the "Hiring for Hospitality" section of the guide. Also included in the program is a section pertaining to new manager and new employee orientation.

After the elements of the Hospitality Project are understood, the next step is to develop a plan for implementing the system. For convenience, a master implementation plan is provided, summarizing all key implementation steps and Hospitality Project maintenance procedures. ❑



U.S. Postal Service

STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION

Required by 39 U.S.C. 3685

1A. TITLE OF PUBLICATION	1B. PUBLICATION NO.	2. DATE OF FILING
NRA News	0 4 6 5 7 0 0 4	Sept. 28, 1983
3. FREQUENCY OF ISSUE	3A. NO. OF ISSUES PUBLISHED ANNUALLY	3B. ANNUAL SUBSCRIPTION PRICE
Monthly(except combined June/July issue)	11	included in dues or $125 per year

4. COMPLETE MAILING ADDRESS OF KNOWN OFFICE OF PUBLICATION (Street, City, County, State and ZIP Code) (Not printers)

National Restaurant Association, 311 First Street, NW, Wash., DC 20001

5. COMPLETE MAILING ADDRESS OF THE HEADQUARTERS OR GENERAL BUSINESS OFFICES OF THE PUBLISHER (Not printer)

National Restaurant Association, 311 First Street, NW, Wash., DC 20001

6. FULL NAMES AND COMPLETE MAILING ADDRESS OF PUBLISHER, EDITOR, AND MANAGING EDITOR (This item MUST NOT be blank)

PUBLISHER (Name and Complete Mailing Address)

Robert Neville (same as above)

EDITOR (Name and Complete Mailing Address)

Sylvia Rivchun (same as above)

MANAGING EDITOR (Name and Complete Mailing Address)

Elyse Cuttler (same as above)

7. OWNER (If owned by a corporation, its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding 1 percent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a partnership or other unincorporated firm, its name and address, as well as that of each individual must be given. If the publication is published by a nonprofit organization, its name and address must be stated.) (Item must be completed.)

FULL NAME	COMPLETE MAILING ADDRESS
National Restaurant Association	311 First Street, NW, Wash., DC 20001

8. KNOWN BONDHOLDERS, MORTGAGEES, AND OTHER SECURITY HOLDERS OWNING OR HOLDING 1 PERCENT OR MORE OF TOTAL AMOUNT OF BONDS, MORTGAGES OR OTHER SECURITIES (If there are none, so state)

FULL NAME	COMPLETE MAILING ADDRESS
None	

9. FOR COMPLETION BY NONPROFIT ORGANIZATIONS AUTHORIZED TO MAIL AT SPECIAL RATES (Section 423.12 DMM only)
The purpose, function, and nonprofit status of this organization and the exempt status for Federal income tax purposes: (Check one)

(1) [X] HAS NOT CHANGED DURING PRECEDING 12 MONTHS
(2) [ ] HAS CHANGED DURING PRECEDING 12 MONTHS

(If changed, publisher must submit explanation of change with this statement.)

10. EXTENT AND NATURE OF CIRCULATION	AVERAGE NO. COPIES EACH ISSUE DURING PRECEDING 12 MONTHS	ACTUAL NO. COPIES OF SINGLE ISSUE PUBLISHED NEAREST TO FILING DATE
A. TOTAL NO. COPIES (Net Press Run)	22,000	22,503
B. PAID CIRCULATION 1. Sales through dealers and carriers, street vendors and counter sales	0	0
2. Mail Subscription	21,000	21,203
C. TOTAL PAID CIRCULATION (Sum of 10B1 and 10B2)	21,000	23,203
D. FREE DISTRIBUTION BY MAIL, CARRIER OR OTHER MEANS SAMPLES, COMPLIMENTARY, AND OTHER FREE COPIES	300	200
E. TOTAL DISTRIBUTION (Sum of C and D)	21,300	21,403
F. COPIES NOT DISTRIBUTED 1. Office use, left over, unaccounted, spoiled after printing	700	1,100
2. Return from News Agents	0	0
G. TOTAL (Sum of E, F1 and 2 - should equal net press run shown in A)	22,000	22,503

11. I certify that the statements made by me above are correct and complete.

SIGNATURE AND TITLE OF EDITOR, PUBLISHER, BUSINESS MANAGER, OR OWNER

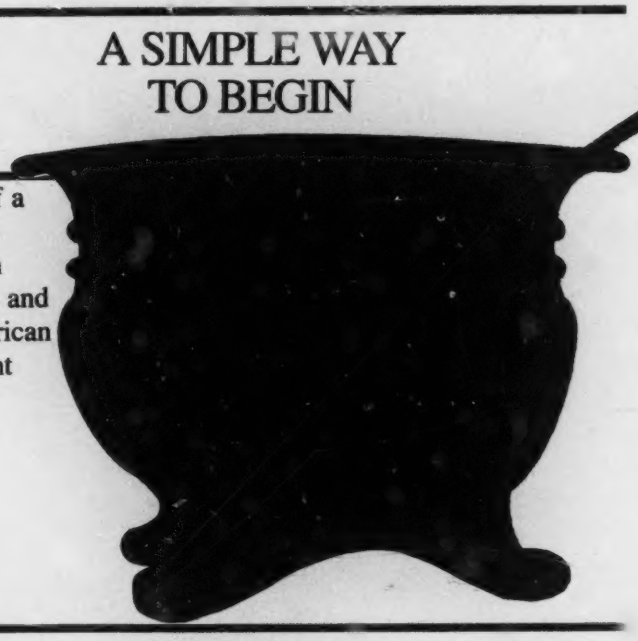
(See instructions on reverse)

PS Form 3526 July 1983

INTRODUCING NUTRITION IN YOUR RESTAURANT

A SIMPLE WAY TO BEGIN

Part 2 of a five-part series on nutrition and the American restaurant



by Patricia B. Kelly,
director of communications
Public Voice

Perhaps the easiest, certainly the most traditional, nutrition-oriented effort by restaurants has been to offer one or more entrees that follow a special diet plan developed by a health organization, medical center or diet group.

These organized diet programs are popular and work quickly because they are already there: They are relatively easy to adapt and promote and, depending on their source, they convey important health credibility to the restaurant's effort.

"Nutrition and the American Restaurant," a major report prepared and published by Public Voice for Food and Health Policy in cooperation with American Express (the American Express Foundation and the American Express Travel Related Services Company), examines the range of organized diet programs adopted by restaurants across the country, with special attention to the American Heart Association's (AHA) "Creative Cuisine" program.

The Public Voice study found that AHA's low-calorie, low-fat, low-cholesterol program and its offsprings have had more effect on more restaurants than any other organized diet effort promoted by health groups or medical professionals.

"Creative Cuisine"—the first attempt...

"Creative Cuisine" was developed in Palm Beach, FL, in late 1975. It was the AHA's first attempt to help restaurants focus on the needs of a populace seeking to eat healthfully and prevent heart disease. Since then, some three dozen affiliates and chapters in 27 states have adopted local variations of the program. AHA has sought to expand the program's influence by promoting "Creative Cuisine" to large corporations with quality control, multiple sites and sophisticated evaluation methods. Recently, for example, the Marriott Corporation became the first major hotel chain to join forces with AHA in devising a nutritious menu plan for its hotel restaurants.

The idea of "Creative Cuisine" is simple. The program seeks restaurants willing to offer a certain number of dishes that meet AHA's "Prudent Diet" guidelines in exchange for recognition by AHA. In most cases, the restaurant cites its affiliation with AHA on its menu.

AHA offers participating restaurants a host of materials—program guides, manager guides, wait staff tip sheets, patron brochures, table tents, self-adhesive logos, window cards and chef preparation lists—as well as recipes on request and some initial publicity.

AHA describes "Creative Cuisine" as a "total program, aimed at everyone—from local restaurant managers, to chefs, to waiters and waitresses, to patrons themselves." It also makes it very clear that basic menus are *not* changed by participating in the program. Instead, certain items on the menu are emphasized.

While the framework for "Creative Cuisine" is national, chapters are free to vary their deliveries based on local needs. Some chapters offer materials different from the national selection. Many have even changed the program's names. Examples include: "Hearty Heart," "Eat Well" and "Good for You."

The Los Angeles approach...

The Greater Los Angeles affiliate of the American Heart Association is, according to Mary C. Winston, medical program science administrator at the AHA's national center, a special model of what a program can be. Called "Dine to Your Heart's Content," the Los Angeles program has grown in the last two years to include 165 restaurants in the area and 400 out-of-state franchise restaurants with headquarters in Los Angeles.

Nearly 40 percent of the participat-

ing restaurants specialize in what the affiliate calls "fine food." These include seafood restaurants as well as an ethnic mix of Mexican, Chinese, Japanese, Italian and French dining places. One-fifth are take-out eateries. The rest feature "casual" dining or family fare. Annamarie Shaw and Denise Rector, who direct the program, hope to expand into private clubs and business dining rooms within the next year.

At the heart of the Los Angeles program are the "Prudent Diet" guidelines.

Participating restaurants must agree to offer at least four entrees based on the guidelines. The entrees may include

- no more than 6-ounce portions of cooked meat, fish or poultry with no more than 15 percent fat content. The item must be trimmed of fat or skin and baked, broiled, boiled, steamed, rotisseried or sauteed with approved fats and oils (soybean, corn, safflower, cotton seed, sunflower or sesame) and,
- the following dairy products: low fat (2 percent or nonfat) milk, nondairy creamers made from approved oils, and low-fat (under 10 percent) cheeses.

The guidelines cite other specific criteria for salads and salad dressings, vegetables, breads and desserts, including the use of margarine and, of course, approved oils.

Unlike "Creative Cuisine" (which permits corn and safflower oils only), the Los Angeles program allows a variety of polyunsaturated oils. This flexibility helps the program. Changing types of oils is one of the major stumbling blocks for restaurants that consider joining. Other key problems are using margarine and low-fat cheeses. On the other hand, the program allows certain items prohibited by other diet plans, such as beef dishes, although hamburgers often exceed the fat levels permitted. Reducing portion sizes is one way around the fat restrictions. And the L.A. program spells out the ingredients permitted, sometimes with brand names and distributors. Basically, it "interprets" the guidelines for restaurants more than "Creative Cuisine" does, which has contributed to its success.

The California program's flexible approach extends to information as well. Restaurateurs may cite their program affiliation in a variety of ways, on and off the menu. And they may designate approved entrees in different ways (although most use the hearts of the AHA). The minimum publicity required of restaurateurs is to display the program's window decal and to explain the program to interested patrons in some organized fashion.

"There are considerable public relations benefits from offering a health-conscious program that is endorsed by a recognized group such as the American Heart Association."

To put the "Dine to Your Heart's Content" program to work, the L.A. affiliate's nutrition committee formed a volunteer task force to visit restaurants that either had expressed an interest in the program or appeared to be likely candidates, such as seafood and chicken dining places. The volunteers explain the program to restaurateurs and show how their existing menus either meet the diet guidelines already, or could do so with some alterations, such as using certain oils or cutting portion sizes.

Restaurateurs who agree to offer four entrees that meet the program guidelines sign a "gentleman's agreement" to comply and to feature their affiliation with the Los Angeles Heart Association. The agreement includes the ingredients approved for use and stipulates that the affiliate will check the menu yearly for compliance. Volunteers use a checklist to carry out this function.

The program directors emphasize that "Heart's Content" only approves the menu or the guidelines on the menu; it does not monitor actual entrees and their preparation.

In addition to free materials from the Los Angeles Heart Association, new restaurants become eligible for cut-rate monthly advertising through a consortium effort coordinated by the program. The *Los Angeles Times* advertising co-op department helped train "Heart's Content" volunteers to market and promote these ads.

Why restaurants join. . .

"If they have agreed to sit down and talk with us, restaurateurs usually have something in mind," says Annamarie Shaw. "It's not difficult then to get to the next step. But restaurants will not do this out of altruistic motives," she adds. "There must be a profit or promotion incentive."

One clear incentive is the potential of increasing sales to a new or fast growing clientele. This potential has been expanded by the lifestyle changes that emphasize fitness and health. The program offers an obvious opportunity to "cash in" on these changes.

Next, there are considerable public relations benefits from offering a health-conscious program that is endorsed by a recognized group such as the American Heart Association. Further, the program itself creates additional benefits by promoting the relationship between the restaurant and the heart association.

Not inconsequential is the free promotion offered by the program. All of the materials from the affiliate are complimentary and advertising costs are discounted (about $125 to $250 to participate in the monthly advertising offered).

Finally, joining the "Heart's Content" program is a relatively easy way for a restaurant to establish a health-conscious orientation. The program is in place and the guidelines are clear. It is not difficult to meet them.

"Restaurants often find they already are doing one or two things required by the program. It can be a matter of simply changing one or two other things in order to qualify," says Shaw. "Then they can use our name." Making changes required by

the guidelines need not be an added expense. If the kitchen *must* use a certain polyunsaturated oil for four entrees, for example, it can use the oil in other dishes as well.

Some restaurants, like Hungry Tiger and Tokyo West, already offer many healthful dishes and do not need to make changes. These have found the program to be a useful promotional vehicle.

According to Marilyn Yamamoto, co-owner of Tokyo West, "The program gives us the opportunity to point out that there are some superb Japanese meat or fish, vegetables and broth dishes—such as *shabu shabu*, *yosemabe* and *tori mizutaki* that are naturally low in calories, fat and cholesterol and salt."

Ninety percent of the restaurants approached by the Los Angeles Heart Association so far—most of them likely candidates—have become participants in the "Heart's Content" program. But the reason one family chain did not join the program is instructive. The chain could not reconcile one difficulty: By indicating which of its menu entrees were approved by the AHA affiliate, the restaurant felt it was conveying a subtle message that the "unapproved" entrees were somehow less than healthful. It feared the overall perception would be detrimental.

Another restaurant chain, however, faced the same problem and came up with a workable solution—marking more items, but with qualifiers, such as outlines of hearts next to dishes that would meet the guidelines in smaller portions. Other solutions are to have separate program menus or to suggest that patrons ask for waiter assistance in identifying menu entrees that are program-approved.

Restaurant employees need to know more about the program. The coordinators say restaurateurs have to educate their employees so that waiters and waitresses can supplement or explain the information in the program materials. On the other hand, Shaw and Rector are sensitive to the delicate balance of program responsibilities juggled by restaurants and the association. "If you put too many responsibilities on the restaurant, you risk losing them," says Shaw.

The future...

The heart association program could and should be larger. This seems to sum up what patrons as well as program directors think of "Heart's Content." Shaw and Rector want more restaurants to join. More than 160 is a lot for two years of work, but Rector points out, "It is only a dent among Los Angeles restaurants, which number around 4,000." The number of participants is limited by the number of program volunteers able to work on enlisting more, the directors say, and—despite publicity—by lack of knowledge about the program among restaurants.

Patrons are interested in "Heart's Content." A recent poll conducted by the heart association showed that patrons like the program as much as the participating restaurants do. In fact, every single poll respondent said the "Heart's Content" program was beneficial in some way. A small percentage expressed disappointment that the program had not been publicized more.

Meanwhile the Los Angeles media and the trade press are beginning to recognize the program. This spring the California Restaurant Association's *Quarterly Digest* said the program "combined healthy hearts and healthy profits," that it was "free and easy" and "can help you (the restaurateur) increase profits while securing new patrons."

Other favorable publicity has brought restaurants to the association. "Heart's Content" is growing more rapidly now, says Rector, because more restaurant owners and doctors are talking about it and more consumers are asking for it. To build on this enthusiasm the heart association plans to publish a dining guide on dining out that explains what foods are endorsed by the program and which are recommended "once in a while." It is also preparing a brochure that lists all participating restaurants. A similar brochure has been published by the Chicago AHA Chapter.

Editor's note: *For more information on "Creative Cuisine," contact your local American Heart Association or the AHA National Center, 7320 Greenville Avenue, Dallas, TX 75231.*

Demographic groups differ in consumption patterns

NRA's exclusive Gallup survey reveals that Americans are changing their away-from-home eating habits due to nutritional and health concerns. The full report on this survey appears in Foodservice Trends, *page 30.*

Demographic groups that most frequently use "less salt"
- individuals 50 years old and older (31%)
- individuals with less than a college degree (28%)
- those earning less than $15,000 a year (31%)
- non-working women (31%)
- residents of the Midwest (30%) and West (30%) and
- those who dine out one time or less per week (31%).

Demographic groups that most frequently order "more fish"
- individuals 50 years old and older (25%)
- college graduates (28%)
- those earning at least $30,000 a year (27%)
- working women (24%) and
- those who dine out four or more times a week (30%).

Demographic groups that eat "more vegetables"
- individuals between the ages of 18-34 years (24%)
- college graduates (23%) and
- residents of the South (25%).

Demographic groups that eat "more salads"
- individuals between the ages of 18-34 years (24%)
- individuals with an annual income of less than $30,000 (21%) and
- residents of the East (20%) and Midwest (21%).

Demographic groups that eat "less fats"
- individuals 50 years old and older (20%)
- those with incomes of at least $15,000 a year (18%)
- non-working women (18%) and
- residents of the Midwest (23%).

Source: The Gallup Monthly Monitor of Eating Away From Home. September 1983—NRA exclusive question.

STAYING IN BUSINESS TAKES MORE THAN LUCK

by Kathy Boyle

If the thought of empty tables makes your blood run cold, you're not alone. With the high failure rate for restaurants, empty tables are the fear of every restaurant owner. Long before the empty tables actually appear, however, there are clues.

First signal—decreased profits. . .

Perhaps the first indication that there is trouble is financial—decreased profits. To avoid getting the bad news late (30 to 60 days after the downturn), owners should devise a way of collecting financial information on a timely basis. The system installed should collect key pieces of information that are timely, accurate and in a format where the data suggests or identifies the solution.

Keeping track of the number of customers is the best starting place. If a slowdown in traffic begins to develop, you'll know early. At the first sign of trouble, investigate. Is the problem the menu, the service, changing customer needs, the decor or management controls or has new competition moved in?

Average check figures should be monitored as well. If customers are buying less, it's time to find out why. Is the restaurant too busy? Do customers get tired of waiting and so don't order dessert? Are employees selling for you by suggesting new or special menu items? Are items too expensive for your customers?

Identifying the reasons for the rejection can be a difficult task. It usually takes some thinking, planning and research to get the problem solved. "If the restaurateur can determine he or she has a problem," adds David Kincade of the accounting firm Laventhol & Horwath, "and correctly defines it, he is well on his way to solving it." O'Brienstein's in Richmond, VA, for example, discovered that 27 percent of its customers were in the 18 to 24-year-old age group. The restaurant had raised its prices out of range of this group. By adding items to the menu this segment could afford, O'Brienstein's increased its business.

Look at your operation. . .

Ray Petteruto, author of *How to Open, Operate and Run a Restaurant*, suggests every operator use an audit procedure to analytically look at the operation. He suggests a step-by-step, thorough going-over of each component of the operation—location, menu, projections for sales, labor, food costs, expenses, owner traits and skills, competition, layout and equipment, security, and recordkeeping as well as legal and insurance matters.

"By summarizing each aspect of the operation," he says, "analytical high and low points can be identified. Ask, 'Where am I strong; where am I weak?' You can be a good chef but go out of business. Operators particularly ignore the technical and management factors behind the food."

According to Petteruto, if you have a bad location, assess its overall value. What other possible use could you make of your location or even a part of your extra floor space? Maybe you have too large a space for your concept. If you were to convert the space to another line of business, say from dinner house to fast food, do you have the right electrical wiring or plumbing for a conversion?

You have to keep putting the time and money into the operation. People—your customers and your employees—give you your profit, so put some of the money back for the customers and the employees. For example, tell the chef, 'Now we're able to afford a new stove. Let's go pick it out together.'"

What about research?. . .

In addition to a critical audit, market research is usually a required part of a successful operation. Restaurant owners and managers need adequate, accurate and current information to market their menu items and their restaurant concept and to stay in touch with their customer base. For those who have never done their own research, the prospect can seem quite frightening.

The National Restaurant Association book *Market Research for the Restaurateur--A Do-It-Yourself Handbook for Market Research*, provides a step-by-step approach. The research techniques used in NRA's book don't require any previous knowledge of statistics or computers. None of the activities require large sums of money and can be completed relatively easily.

One of the most important sources of information for demographic information is the U.S. Bureau of Census. Census tract data can be purchased relatively cheaply (90¢ tract after $70 fee) by zip code. Other organizations, such as Urban Decisions, provide similar information. It is always a good idea to use two sources of information to double-check census data. State and local planning and economic agencies can also be of assistance. You can even turn the whole project over to a college, university or consulting firm should you find you can't fit research into your schedule.

If research shows your visibility is not high with the public or your price/value image is low or you just need to create more excitement about your operation, pull out the stops on advertising and promotions. The successful operator knows advertising and promotion are regular, ongoing parts of the overall marketing strategy.

Is management the problem?. . .

More businesses fail because of poor management techniques than for any other reason. Make sure you are in charge of your restaurant.

"Don't overestimate your abilities," adds Maurice Minno of Management and Design Resources in McLean, VA. Hire the people you need. "It is difficult for an owner to be a personnel manager, financier, chef, food purchaser, tax expert and public relations expert all at once. Some owners are very good in some areas but not in others."

Tom Kershaw, owner of the Hampshire House and Bull and Finch Pub in Boston, MA—the model for television's hit series "Cheers"—explains his operation was in trouble just a few years ago. "My partner and I split after some problems. We were not doing well. The key to improving our operation was our management structure. It was incorrect. Through analysis we found that when we were doing 80 percent of our volume, we were attempting to use assistants rather than professional managers. I was around from 9:00 a.m. to 5:00 p.m., Monday through Friday, but we needed a good middle management team nights and weekends. I stepped out, became the owner, concentrating on marketing and sales development. Then we built a good middle management team."

When Kershaw was able to expand the Hampshire House, he turned over one of his two newly-acquired units to his manager. Like Kershaw, you can avoid the high cost of turnover by rewarding talented employees. Use pay incentives and a more appealing work environment to make employees' jobs more rewarding.

According to some consultants, there are three things that separate the successful operator from the unsuccessful one: the ability to select talented employees, the ability to understand leadership and the knack for getting feedback from employees. If there is a management problem, often one of these ingredients is missing.

If you lack management know-how in this or another area, consider taking

10 PITFALLS to avoid in your restaurant

1. **Lack of management know-how**
   Inadequate management expertise is the most common reason for small business failures. Learn to select people who will contribute to your operation and compensate for your own weaknesses. Learn behind-the-scenes techniques that will help you stay on top of your business. If you don't have the time or interest to build management expertise, hire someone who has it.
2. **Undercapitalizing your business**
   This is a chronic problem with small businesses. Do you know where you are going to get money should you run into rough times?
3. **Allowing your product quality to slip**
   You can't keep a strong business on the strength of past successes. Make sure the quality of your food and service is consistently high.
4. **Infrequent market research**
   If it has been more than a year since you've researched your market, you're out of touch. Maybe your market has changed or your menu no longer matches your marketing plan. Be sure you know who your customers are. What is their age? Income? What do they like? Dislike? If you can't answer even one of these questions, it is time for market research.
5. **Losing track of customer counts**
   The minute your customer counts start dropping find out why. Is it your menu, service, decor, competition, controls, location?
6. **Losing track of the average check size**
   If the average check amount begins to decline, find out why. Are items too expensive for your customers? Are the items not popular any more? Is it the economy? Health concerns? Competition?
7. **Forgetting to reward your employees**
   Use salaries, incentives and better working conditions to make your employees' jobs more rewarding.
8. **Being afraid of change**
   Don't be the last to try new ideas. Demonstrate to customers your ability to change by adding new menu items, services and decorative touches.
9. **Not putting the profit back into the business**
   Keep the place up-to-date and clean. A full remodelling may be necessary every seven years.
10. **Not following or defining objective, mission and theme**
    Don't make decisions about your operation without keeping your goal or theme in mind. ❑

SBA can help you find a solution to your problem

If you are in trouble, perhaps the most important Small Business Administration service is its counseling program. Both the Active Corps of Executives (ACE) and the Service Corp of Retired Executives (SCORE) assist the Small Business Administration to serve businesses in need of help. "All you have to do is call SBA, and you will be referred to one of the 13,000 SCORE members nationwide. SCORE volunteers man SBA phones and match you with a former or current restaurant operator. The referral as well as the one-on-one counseling are free. SCORE has chapters in every state, usually within your community," says Anita Irick, Public Information Specialist with the Small Business Administration in Washington. "SCORE counselors will voluntarily assist you to identify and solve your business problem."

a course at a college or university. Each field office of the Small Business Administration (SBA) also regularly runs a variety of seminars and workshops. These programs are free and are usually announced two to three months in advance. They cover a wide range of topics from how to develop a business plan to how to control crime.

Undercapitalizing the business. . .

The biggest single problem with a new business is undercapitalization. A restaurant needs cash reserves for both expected and unexpected expenses. It is difficult to predict when they may be needed, whether for a down payment on a much needed piece of equipment or monthly cash flow during an economic downturn. Although your banker, lawyer or accountant is the best judge of how much cash reserves you need, some consultants suggest that operators keep a minimum cash reserve of three months working capital.

It is a good idea to have a contingency plan for how and where you are going to get money should you run into rough times. If an injection of money is what your operation needs, the Small Business Administration will guarantee—up to 90 percent—loans for small businesses. You, however, must find a bank willing to lend you the money, which SBA will then guarantee. To qualify, you must satisfy the same requirements you would for any business loan. A statement of your business plan and intentions, past performance, financial statements, credit worthiness and ability to repay the loan are taken into consideration for SBA-backed loans.

Are you sticking to your objective?. . .

Forgetting to assess what you are trying to do can cause your business to go on an expensive tangent. You can lose track of your theme and expand too far from your main goal. For example, over the years Tom Kershaw of the Hampshire House allowed one floor of his operation to be used for parties and special functions. Space analysis showed that he was utilizing this large floor only 10 to 20 percent of the time. His solution was to get out of the function party business. "By using the space throughout the year, we are increasing sales," he says.

Bert Laacks, operator of The Captain's Table in Deerfield Beach, FL, a 340-seat restaurant with 136 employees and $4 million in sales, defines his mission clearly. This, he claims, has been a secret of his success. "My basic philosophy is that we're in the hospitality business. We're not here to run a classic French restaurant where whether you serve from the left or right is important. What is important is the unquestionable desire to please the customer. That is our focal point." Laacks even goes so far as to send flowers and favorite meals to his loyal customers when they are in the hospital. A testament of his customers' loyalty is that in the 12 years since he began using his own credit card system he has had less than $30 a year in bad debts on annual billings of $1,000,000.

If the controllables—menu, costs, advertising, technical services and management—are not the source of your problem, what can you do?

Become a student of your business. Visit competitors' restaurants regularly, collect menus, travel for new ideas and go to seminars. Associate with other people in the industry and in related fields.

Stay in touch with economic, social and cultural trends that no one can totally plan for, such as the amount of available gasoline which, when down, can make people stay home. The current bestseller *Megatrends* is one useful source of information.

If you must restructure. . .

Don't be afraid of change. If the present operation needs to be transformed, do it. Tim Ryan, president of Magic Pan, explains how his company changed. "We were a specialty restaurant with a limited menu. People tired of the specialty. Our business had been declining since 1978. Through intensive research begun in 1979, we took the temperature of the entire company." For Magic Pan this meant restating the company's mission. "In our strategic plan, we have moved from a specialty restaurant to a restaurant featuring crepes. Now our focus is on popular European recipes. Magic Pan has added an appetizer section to the menu, entree salads for those who like healthier and lighter foods, pastas, non-crepe entrees, a red meat, a white meat, fish, seafood and European sautes. "From our most recent research we know that 50 percent of our business is crepes, and the other 50 percent is split evenly between loyal crepe customers who just want to try something else and customers who accompany our loyal patrons."

"Right now we have the highest number of first-time visitors than at any time in the last five years. It's taken us 18 months, but today our check averages are up 12 1/2 percent over a year ago," reports Ryan.

"In retrospect," explains Ryan, "we knew we needed to change, but we were too slow. Everything has a life cycle. We just stuck with the creperie too long, not modifying when the money was available."

"To stay successful," claims Ryan, "you must convince people you are constantly going to change. We had hired and promoted people because they did their job well, not because they initiated change."

In conclusion. . .

With regular critical analysis, or "check-ups", successful operators can usually identify problems in their business before they spell disaster. ❑

How to Bail Out When the Going Gets Rough

by
Carol Caprione

You've got to know when to hold them,
Know when to fold them,
Know when to walk away
And know when to run."

—"The Gambler"
Donald Alan Schlitz, Jr.

Getting out of the restaurant business is not a happy subject to consider. However, there may come a time when, it's advantageous to know how to bail out gracefully with as little financial loss and personal grief as possible.

Simply said, there is no easy, painless way out. Nor is there advice that applies across-the-board. But former operators, legal experts, commercial brokers, consultants and academicians agree that there are some tell tale signs.

You know it isn't going to work when...

One of the most detrimental things a restaurant owner can do is to try to hold on to an operation long after the feasibility of success is over. This drains an operator financially and emotionally.

"If a person is really close to his business, he should know well before he starts losing money that he is not getting the best return on his investment," suggests Robert L. Suttie, division vice president and controller, Jack in the Box, headquartered in San Diego, CA. "The return is not always monetary in nature. It may be joy, satisfaction or social advancement. It boils down to the question, 'Is the business really worth the long hours I have to spend? If not, where else could I invest my resources and get the same or greater satisfaction?' This mental evaluation is a process that one should go through periodically and not wait until the bottom line goes red."

Barbara Witt, former owner of The Big Cheese in Washington, DC, and later in Baltimore, MD, admonishes troubled restaurateurs to "Get into an action-mode fast. At the first sign of significant cover count drop, start planning for the worst. Pull out every creative management idea at your command and keep praying."

Other interviewees suggested it is time to bail out when

- you can't pay the bills
- the better staff members quit and can't be replaced
- suppliers demand payment COD (cash on delivery)
- it's difficult to get up in the morning and drag yourself to work
- the stress and strain of the business is costing you your health
- you and your partners have a serious conflict of interests
- there is a show of no confidence on the part of investors and the banking and business community or
- the area changes and is now wrong for your product or was wrong from the very beginning.

Preparing to sell...

There are three exit options: selling, easing out slowly or declaring bankruptcy.

To sell—at a profit—is the ideal way to bail out of business. Realistically speaking, it's very rare. The profit, if any, is usually small.

How do you go about selling a business? First of all, you spread the word to your friends, your contacts and your customers. You advertise in trade magazines and local newspapers. And you keep in close and constant touch with your lawyer, your accountant and your business broker—someone who can negotiate the sale of your establishment.

Nelvin Banner, president of Banner Business Brokers, Inc. in Bethesda, MD, suggests you prepare to sell by

1. making sure your business lease can be assigned to a new party
2. cleaning your establishment so it looks its best
3. seeking an attorney to make sure all legal matters are in order and
4. collecting all financial information to justify your asking price, including tax returns for the past three years.

Forming a partnership...

A gradual way to bail out of business is to enter into a partnership with the eventual intention of easing out completely. A partnership will probably not yield as much profit as selling, but, on the other hand, it may prevent the necessity of filing for bankruptcy.

Charlotte Taylor, president of CTA, a management group, in Washington, DC, and author of a monthly column in *Working Woman* magazine entitled "Can This Business Be Saved?" says that a partner can be either a cash investor (for the owner who wants to continue running the business but needs money) or an operating manager (for the owner who no longer wants to be physically present at the establishment).

"A partner may help solve some problems," says Taylor. "Since the original owner is still liable for his or her portion of the business, however, forming a partnership can be a very sensitive route out. The wrong partner may do more harm than good and may contribute to a fast downfall of the establishment." Sometimes a poorly-established partnership is the reason an operator considers bailing out.

Before entering into a partnership, Taylor suggests you

- analyze your situation to ascertain where you are weak, what you want from a partner and what you are willing to give up
- look for a partner that has the same philosophy of business that you do concerning such things as quality, service, cleanliness and business image
- decide on the division of operational responsibilities: what roles and responsibilities each partner will have in the business and who has the prime decision making authority on each issue. In some cases, such as those concerning money or the use of money, joint decisions will be necessary.
- negotiate how profits will be divided according to who is bringing what into the business and how it will be valued and
- seek a lawyer to draw up a partnership agreement that will spell out the above issues and include an exit clause.

Declaring bankruptcy...

The bleakest alternative to bailing out is bankruptcy. Bankruptcy is a legal process by which an individual, a partnership or a corporation with excessive debt can petition a bankruptcy court for a discharge of certain financial obligations. (For a more extensive discussion of bankruptcy, see accompanying sidebar.)

Understanding bankruptcy

Bankruptcy is a legal process by which an individual, partnership or corporation with excessive debts can petition a bankruptcy court for a discharge of certain financial obligations. The three basic categories of bankruptcy are

(1) straight liquidation, in which the debtor's assets are collected and distributed to creditors according to a priority system established by statute

(2) reorganization, in which a corporation may continue in operation while working out ways to pay its debts and

(3) adjustment of debt, in which an individual or sole proprietor of a business can develop a payment plan.

Bankruptcy may be entered into voluntarily by the debtor. However, the debtor may also be forced into bankruptcy if enough creditors file an involuntary petition. Once a petition of either type is filed, all other judicial or administrative actions against the debtor are suspended, allowing a business more time to attempt reorganization or to pay off debts. In addition, utility companies are barred from cutting off services for charges incurred prior to the filing of the petition.

In straight liquidation, the creditors elect a "trustee," whose duty is to marshal the debtor's assets, overturn any transaction that jeopardizes creditors' rights (such as the debtor hiding assets or trying to deceive creditors) and distribute remaining assets to the creditors. The debtor must submit to a meeting of creditors where he/she may be quizzed, under oath, about the financial condition of the business.

Secured creditors (those who have a security interest or collateral for their extension of credit) will be paid first. Among unsecured creditors, assets will be distributed to pay administrative expenses of the bankruptcy, wages and salaries of employees, fringe benefits, federal and state taxes and then all other unsecured debts, in that general order.

Debtors are allowed to retain a certain portion of real or personal property, automobiles, household furnishings and professional tools or equipment.

—Robert Palmer

It is time to consider bankruptcy when you are receiving pressure from taxing authorities and banks and when suppliers will only deliver goods cash on delivery (C.O.D.) "When a business is being sued, an operator can't afford to go defending all these suits and spending all his time in court," advises Richard H. Gins of Greenbaum and Gins, Washington, DC. He adds that other variables to consider are the structure of the business, the value of the location, the economic climate, a thorough evaluation of the numbers and the physical and mental equilibrium of the operator. "However every business is different," cautions Gins.

Former restauratuer Barbara Witt says there are times when it's a good idea to close. "My best advice to others," she says, "is resist trying to prove to yourself that you can awaken a comatose business by sheer force of will."

If you are considering bankruptcy to liquidate your business, do consult a lawyer. A bankruptcy lawyer can examine the value of your restaurant and your gross receipts against your debts and expenses to see if there are any funds that can be generated to pay creditors. An accountant can also be helpful to determine if you are personally liable for any of the taxes in the business.

Although declaring bankruptcy can be an end to financial struggles, it can make it difficult for a restaurateur to own another business. Credit may be be more difficult to secure after filing for bankruptcy. The emotional toll of going bankrupt can also be very high, adds Charlotte Taylor. "You need to weigh the downhill and uphill side of reneging on your personal reputation."

Bailing out doesn't have to be forever...

Closing the doors on one operation doesn't mean that you can't open them on another. Bankruptcy may shake the confidence of investors, but things can be better the second time around for you can avoid past mistakes.

Doris Ohannisian, owner of the Omelette Factory in Fresno, CA, has just placed her restaurant on the market. "The area is wrong for my product. It's like trying to sells Rolls Royces in a farming community," she says. When her establishment sells, Ohannisian plans to open an Armenian restaurant about 10 miles away from her present location. Fresno has one of the largest Armenian communities in the United States.

Bob Suttie of Jack in the Box—a chain which divested 232 stores during 1979-82—advises that a person has to look beyond the immediate result of closing an operation, which might entail embarrassment or a blow to the ego and look to the future. "Yes, there is a short-term painful experience that one has to go through but, in the long term, it's much better for the individual. It's better to make a decision today and experience a small hurt than to wait for the future and experience a much worse calamity."

Bailing out of a losing operation is more often a sign of strength than of weakness no matter how it might first appear. ❑

WHY DINING CLUBS ARE NOT FOR EVERYONE

An article in the August 1983 issue of the NRA NEWS discussed the advantages of dining clubs. This piece takes a second look at the topic—presenting some reasons why dining clubs are not always a good idea.

By Sylvia Rivchun

The Blue Horse Restaurant in St. Paul, MN, is an atmosphere restaurant of 140 seats. The menu is continental, with 40 items for lunch and 50 items for dinner, plus daily specials. The restaurant has a large, regular clientele of expense account customers and corporate executives, many of whom have house accounts and spend 40 to 50 dollars per person per meal. These are not the kind of customers who use coupons says general manager John Whirling. That is why the Blue Horse Restaurant says "no" to dining clubs and coupon books. "They are just not our style. They have a place in the marketplace but that place is not here at the Blue Horse. If a business executive is spending $50 for a dinner, he doesn't want to be seated next to someone flipping out a coupon," maintains Whirling.

Coupons are synonymous with discounts and bargains. Many operators of upscale establishments agree that this is not an image that is consistent with their operations. Most of their customers are less concerned with price than they are with quality, service and personal attention. "We buy choice products. We are an A-1 operation. A great deal of time and effort went into design of our operation. Discounts don't fit. It's demeaning when you have an upscale restaurant marketed with less prestigious establishments," says Bill Naegle, president, Naegle Restaurants, St. Louis Park, MN. Naegle learned from experience that the people who used discount coupons to try his operation never came back. Moreover, Neagle reports that few of his coupon customers purchased the extras that can build up a tab. Their orders did not include appetizers, salads, desserts or drinks.

The reason for this, both Naegle and Whirling speculate, is that most coupon customers simply cannot afford to spend the money. "It is more likely that dining clubs will work as advertising and promotional devices for operations where people spend $10 per person for dinner," says Whirling. High traffic restaurants also can benefit, he adds, because they need volume to maintain their type of establishments.

Not a clear-cut decision . . .

Belonging to a dining club is not a clear-cut decision, observes Arnold Hewes, executive vice president of the Minnesota Hospitality Association: "We have members who swear by the clubs and members who swear at them." That is why, Hewes says, the associations—like the NRA and other state associations—do not have an official position on the issue. Restaurateurs are left to decide the appropriateness of dining clubs for themselves.

The key concern, of course, is whether belonging to a dining club is a positive return on investment. Some operators claim that dining club membership is an extraordinarily expensive method of advertising. "Most customers are willing to accept a deal, but will they come back?" asks Jack Kawa, NRA director and vice president of Johnny's Cage, Omaha, NE. Naegle agrees this is the crux of the dilemma about joining or not joining dining clubs. "When food costs are running about 40 percent, two for one coupons get to be a very expensive form of advertising. If you are reaching customers who come back, it's a great deal. If you're not, all you do is incur more costs," he explains. Naegle's participation in a dining club cost his operation about $500,000.

Some restaurateurs believe that an operation is better off seeking alternatives to dining clubs. Many argue for personalized advertising, such as price specials for lead products, and promotions, such as early bird dinners or a wine or food festival. Such efforts,

Some questions to ask before joining a dining club

- What other restaurants are in the club?
- What kind of customer does the club attract? Does the profile of this customer match the profile of my patrons?
- What is the percentage of restaurants in last year's program that are out of business?
- Do I have slow days or times of the day that can benefit from increased traffic?
- Where and how does the club advertise?
- How many books will be printed and sold?
- What is the cost of the coupon book?
- How do I cancel if I don't want to continue?
- Is there a less costly way for me to achieve the same or greater results?

they say, keep the operator in control of his costs.

Other restaurateurs, on the other hand—often owners of family style operations and new establishments—say dining clubs generate valuable visibility and advertising, bringing in new customers and reducing the restaurateur's advertising budget. "If you are sensational, you can get good word-of-mouth advertising by belonging to a club," acknowledges Mike Hearst, NRA director and president, 15th Street Fisheries, Ft. Lauderdale, FL. He also notes that some retirement communities with affluent members hold promise for an attractive club package because these seniors dine out frequently, can recognize quality and will tell their friends about the experience.

You convey an image of what your product is worth . . .

Once the issue of investment has been resolved, the next thing to consider is the image and reputation of the club and the restaurant. Operators of upscale establishments echo the sentiments of Whirling and Naegle. They believe that coupons are more in line with the low to moderately-priced operations. The key question to ask, according to Mike Grisanti, NRA director and president of Casa Grisanti, Inc., Louisville, KY, is, "What am I communicating? Every time you have an exchange with the public you are saying something. If you are a discount restaurant, say it all the time. Why should a customer come back and pay full price if he knows he got it for less? You convey an image to your patrons that that's what your product is worth."

Walter Conti, former NRA chairman and president of Conti Cross Keys Inn, Doylestown, PA, agrees. "If you can afford to take so much off, it means that you are not pricing right. If the price is a fair price to generate a proper business balance, there is no need to discount," he says.

Some restaurateurs also express concern that dining clubs are sometimes considered to be "last-ditch efforts." Thus belonging to a dining club can damage a restaurant's reputation. "A restaurant influences its reputation by the company it keeps," says NRA Treasurer Ted Balestreri, owner of the Sardine Factory, Monterey, CA. "Being in a dining club automatically classifies a restaurant."

It is important to evaluate a dining club's reputation. Some are known for their high standards of screening participants. Others do not have such quality requirements.

When a dining club does not have a good reputation, belonging to the club can have credit repercussions. NRA director Jack Kozlak, owner of Kozlak's Royal Oak Restaurant, Shoreview, MN, and one-time state legislator, reports that suppliers in the Greater Metropolitan Area of Minneapolis/St. Paul often reassess the credit of dining club participants. "In their experience," he points out, "the restaurateur is in trouble and has joined the club as a last resort. To support his observation that marginal operators often join dining clubs, Kozlak reports that last year 26 establishments offering coupons were no longer in business by the end of the discount period.

Drawing on his past experience as a legislator, Kozlak also notes "that giveaways give lawmakers and the public a false impression of industry profitability. This makes it easier to justify taxes and restrictions."

Not a panacea for an ailing operation . . .

Dining clubs seldom generate business for poorly-run organizations. "If you have a weak concept, the expense of a dining club will expedite your demise," cautions Mike Hearst. "Exposure alone does not build business. Only exposure to quality does that."

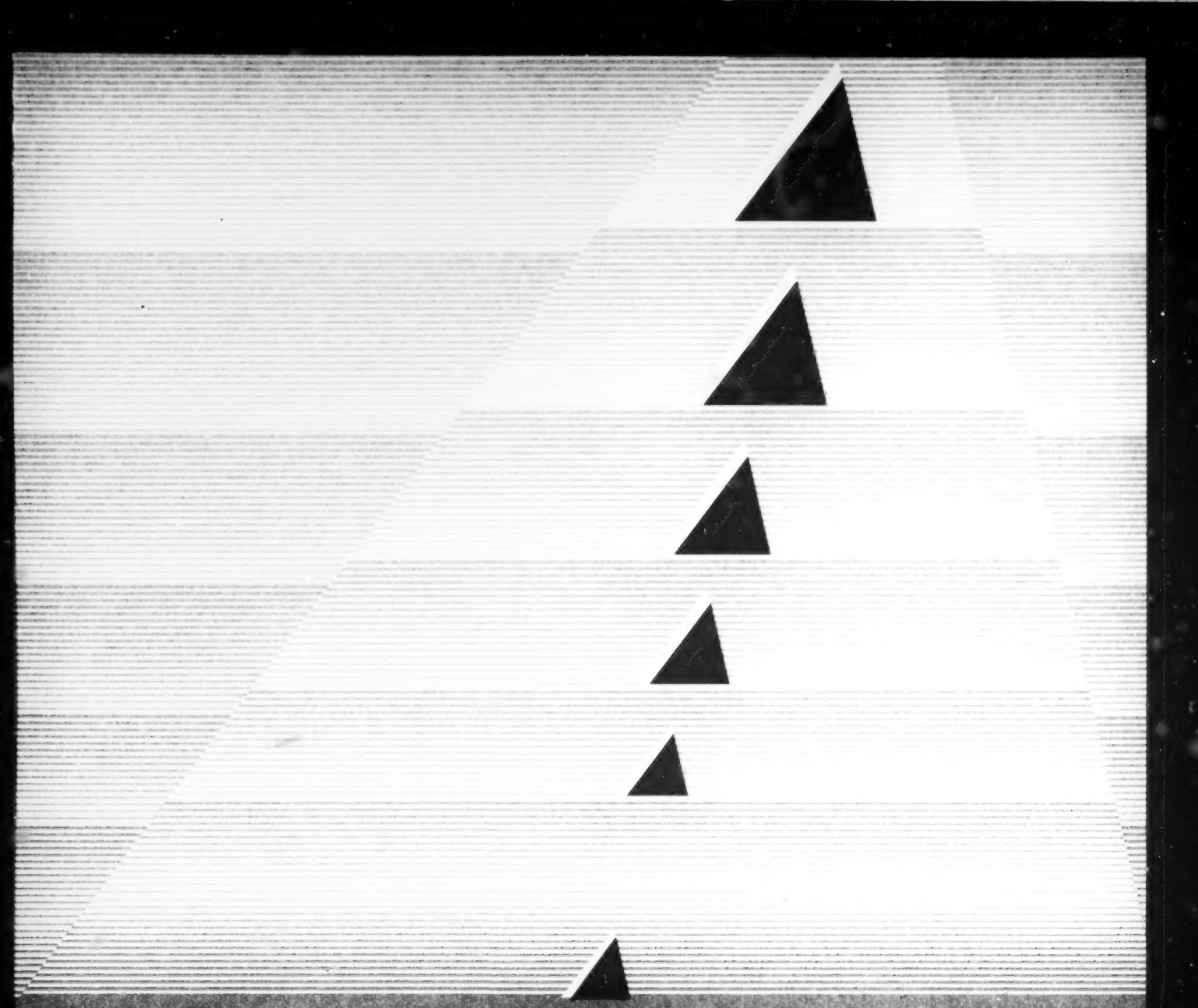
A dining club does, however, offer operators the opportunity to fill the restaurant during slow times. If restaurateurs want to use dining club promotions during these times, they must be careful to specify days of the week and hours of applicability, such as evenings from 5:30 to 9:00 on Monday through Thursday. These restrictions have worked extremely well for some operators. Others, however, caution that sometimes people try to use the coupons during peak hours, making it awkward for the operator to turn them away. Still others have experienced that some coupon users expect extras not promised by the coupon, such as after-dinner drinks. Such misunderstanding can create ill will that is not offset by the benefit of visibility. A disappointed customer seldom returns.

In general, operators have no arguments with the integrity of dining clubs. Unlike their predecessors, those in existence today are well-run, above-the-board operations. Few have misrepresented themselves, although some clubs have printed more books than promised and others have sold them for a lesser price than agreed upon. This has made participation more costly than expected for some operators. Restaurateurs who have belonged to dining clubs do advise would-be participants to read the fine print so they understand their obligations and the renewal procedures. One operator was automatically renewed for a second year because he did not inform the dining club—in writing—that he intended to withdraw. He assumed that a verbal cancellation was sufficient.

In sum . . .

No one denies that dining clubs are a great buy for the customer. But are they the way to go for the operator? Restaurateurs are divided on the issue. The key thing to remember is that the methods of advertising and promotion an operator chooses should be consistent with the establishment's image and goals.

❑



JANUARY – JUNE 1984

SEMINARS

SIX MONTH SEMINAR SCHEDULE

NATIONAL RESTAURANT ASSOCIATION

INTRODUCTION

The Education Programs Department of the National Restaurant Association is pleased to present the January–June 1984 seminar and conference schedule. Working with your state associations, which cosponsor most of the seminars, we strive to provide the finest educational programming available to the hospitality industry.

One of our goals in 1984 is to begin offering, in a more systematic format, supplemental training programs to those independent and chain operations who are not large enough to economically provide this type of training on their own. We hope to introduce a core of training courses that can be offered to these companies on an in-house basis. Such courses can be customized to fit the needs of the individual companies, and the cost should be attractive enough to provide real value. If you or your company are interested in this type of programming, please contact Deborah Apoldo, Specialist, Course Development, at our NRA offices.

The extensive continuing education program provided by the NRA is a major service offered by our association, and it is one of the most comprehensive programs offered by any association in the country, both within and outside the industry.

We invite you to look at our six month schedule and let us help you plan your educational program.

Lawrence M. Fidel
Director, Education Programs

Guarantee — If you are not satisfied that the knowledge gained at the seminar is useful and will help you to do a better job, we will give you a full refund of your entire seminar fee. If you should feel the need to request such a refund, please write within 10 days of your course attendance to: Larry Fidel, Education Programs, National Restaurant Association, 311 First St., N.W., Washington, DC 20001.

Tax Deductible — Your attendance at this NRA Seminar is tax deductible, according to Treasury Regulation 1.162-5.

	Members of NRA or co-sponsoring state association	Non-members
One-day seminars		
One	$140	$170
Two or more	$125	$155
Two-day seminars		
One	$310	$370
Two or more	$245	$310

NRA SEMINARS BY TOPIC
JANUARY–JUNE 1984

Advanced Labor Cost Management

2/7	New York, NY
4/12	Philadelphia, PA
4/25	Baltimore, MD
5/8	Seattle, WA
5/10	San Francisco, CA
6/12	Dewey Beach, DE

American Regional Cookery

1/25-26	New Orleans, LA
3/6-7	Las Vegas, NV
3/12-13	Boston, MA
6/26-27	Detroit, MI

Banquets and Buffets

1/25-26	Reno, NV
2/28-29	Philadelphia, PA
4/11-12	Tampa, FL
4/17-18	Milwaukee, WI
6/6-7	Los Angeles, CA
6/19-20	Westchester, NY

Basic Purchasing

1/9	Detroit, MI
2/20	Atlanta, GA
4/2	Los Angeles, CA
4/9	Atlantic City, NJ
4/30	Little Rock, AR
5/7	Des Moines, IA
6/20	Chicago, IL
6/25	Boston, MA

Basic Supervision in Foodservice

2/26	Washington, DC
2/28	Denver, CO
3/6	Baltimore, MD
4/3	Chicago, IL
4/17	New Orleans, LA
5/8	Milwaukee, WI
6/12	Los Angeles, CA
6/26	Boston, MA

Computers in Foodservice: A Primer

3/26	Baltimore, MD
5/19	Chicago, IL-NRA Show
6/4	New Orleans, LA
6/18	Kansas City, MO

Computers in Foodservice: Advanced Technologies/ Now That I Have One...

3/27	Baltimore, MD
5/20	Chicago, IL-NRA Show
6/5	New Orleans, LA
6/19	Kansas City, MO

Controlling Food Cost

1/23	Houston, TX
1/24	New Orleans, LA
2/27	Schaumburg, IL
3/5	Burlington, VT
4/16	Kansas City, MO
5/19	Chicago, IL-NRA Show
6/18	Salt Lake City, UT

Creative Merchandising Techniques

1/23	Atlanta, GA
1/24	Miami, FL
3/26	St. Louis, MO
4/9	Atlantic City, NJ
5/9	Wilmington, DE
6/4	Tacoma, WA
6/5	Portland, OR

Dining Room Management

1/16	San Diego, CA
1/17	San Francisco, CA
1/30	Denver, CO
1/31	Phoenix, AZ
2/2	Kansas City, MO
2/15	Louisville, KY
2/16	Milwaukee, WI
2/27	Tampa, FL
2/29	Birmingham, AL
3/7	Omaha, NE
3/26	Allentown, PA
3/28	Cleveland, OH
4/10	Atlantic City, NJ
4/16	Oklahoma City, OK
4/18	Memphis, TN
5/19	Chicago, IL-NRA Show
6/4	Newport, RI
6/13	Washington, DC
6/25	Indianapolis, IN
6/27	Wichita, KS

Kitchen Management

1/16	Portland, OR
1/17	Seattle, WA
1/19	Los Angeles, CA
2/6	Albuquerque, NM
2/8	Wichita, KS
2/15	Washington, DC
3/19	Little Rock, AR
3/26	Knoxville, TN
3/28	Columbia, SC
4/10	Atlantic City, NJ
4/16	Pittsburgh, PA
4/18	Cincinnati, OH
4/30	Boston, MA
5/2	Binghamton, NY
5/20	Chicago, IL-NRA Show
5/29	Ft. Worth, TX
6/11	Minneapolis, MN
6/13	Omaha, NE
6/20	Lancaster, PA
6/25	Billings, MT
6/27	Boise, ID

Location! Location! Location!
How to Successfully Negotiate and Finance Your New Operation

1/16-17	Richmond, VA
3/14-15	Atlanta, GA
4/4-5	New York, NY
5/19-20	Chicago, IL-NRA Show

Menu Development

5/20	Chicago, IL-NRA Show

Motivation: Increasing the Desire to do More and Better Work

1/26	Reno, NV
2/15	Portland, OR
2/27	Portland, ME
4/24	San Francisco, CA
5/2	Minneapolis, MN
5/20	Chicago, IL-NRA Show

Off-Premise Catering

1/23-24	Miami, FL
1/30-31	Boston, MA
3/5-6	Pittsburgh, PA
3/26-27	San Diego, CA
4/9-10	Atlantic City, NJ
4/30-5/1	Las Vegas, NV
5/19-20	Chicago, IL-NRA Show

Opening a Restaurant: Before You Start Cooking...

3/6	Dallas, TX
4/3	Raleigh, NC
4/7	Seattle, WA
4/9	Portland, ME
5/19	Chicago, IL-NRA Show

Operational Analysis

3/6-7	San Francisco, CA
3/27-28	Columbus, OH
5/7-8	Philadelphia, PA
5/19-20	Chicago, IL-NRA Show
6/19-20	Milwaukee, WI

The Pantry: Prep for Profit

4/26	Detroit, MI
5/1	Las Vegas, NV
5/3	San Francisco, CA

Perfecting Your Culinary Skills

3/6	Denver, CO
3/8	Las Vegas, NV
3/13	Columbus, OH
3/15	Indianapolis, IN
4/10	Richmond, VA
4/19	Atlanta, GA

Planning and Implementing Restaurant Marketing Strategy

4/2-3	Hartford, CT
4/25-26	Denver, CO
4/30-5/1	Washington, DC

Principles of Labor Cost Management

2/6	New York, NY
4/11	Philadelphia, PA
4/24	Baltimore, MD
5/7	Seattle, WA
5/9	San Francisco, CA
6/11	Dewey Beach, DE

Restaurant Design & Facilities Planning

5/19-20	Chicago, IL-NRA Show

Simplified Baking Workshop

3/13	Chicago, IL
3/27	Washington, DC
4/4	Exeter, NH
5/8	New York, NY

Soups and Sauces

2/6	Boston, MA
2/8	Philadelphia, PA
6/30	Milwaukee, WI

Train the Trainer

2/17	Spokane, WA
3/12	Salt Lake City, UT
3/13	Oklahoma City, OK
4/26	Los Angeles, CA

Wine: Sales and Merchandising

2/9	Cincinnati, OH
3/8	Philadelphia, PA
4/17	Atlanta, GA
4/19	New Orleans, LA
5/15	Williamsburg, VA
6/11	Denver, CO
6/28	San Diego, CA

NRA CONFERENCES

1/9-12	9th Annual Tableservice Conference Las Vegas, NV
2/19-22	National Conference on Computers in the Foodservice Industry Orlando, FL
3/19-22	2nd Annual Conference on Alcoholic Beverage Service San Francisco, CA

NRA SEMINARS BY STATE
JANUARY–JUNE 1984

Alabama

2/29	Dining Room Management	Birmingham

Arizona

1/31	Dining Room Management	Phoenix

Arkansas

3/19	Kitchen Management	Little Rock
4/30	Basic Purchasing	Little Rock

California

1/16	Dining Room Management	San Diego
1/17	Dining Room Management	San Francisco
1/19	Kitchen Management	Los Angeles
3/6-7	Operational Analysis	San Francisco
3/19-22	2nd Annual Conf. on Alcoholic Beverage Service	San Francisco
3/26-27	Off-Premise Catering	San Diego
4/2	Basic Purchasing	Los Angeles
4/24	Motivation: Increasing the Desire to do More and Better Work	San Francisco
4/26	Train the Trainer	Los Angeles
5/3	The Pantry: Prep for Profit	San Francisco
5/9	Principles of Labor Cost Management	San Francisco
5/10	Advanced Labor Cost Management	San Francisco
6/6-7	Banquets and Buffets	Los Angeles
6/12	Basic Supervision in Foodservice	Los Angeles
6/28	Wine: Sales and Merchandising	San Diego

Colorado

1/30	Dining Room Management	Denver
2/28	Basic Supervision in Foodservice	Denver
3/6	Perfecting Your Culinary Skills	Denver
4/25-26	Planning and Implementing Restaurant Marketing Strategy	Denver
6/11	Wine: Sales and Merchandising	Denver

Connecticut

4/2-3	Planning and Implementing Restaurant Marketing Strategy	Hartford

Delaware

5/9	Creative Merchandising Techniques	Wilmington
6/11	Principles of Labor Cost Management	Dewey Beach
6/12	Advanced Labor Cost Management	Dewey Beach

District of Columbia

2/15	Kitchen Management	
2/26	Basic Supervision in Foodservice	
3/27	Simplified Baking Workshop	
4/30-5/1	Planning and Implementing Restaurant Marketing Strategy	
6/13	Dining Room Management	

Florida

1/23-24	Off-Premise Catering	Miami
1/24	Creative Merchandising Techniques	Miami
2/19-22	National Conference on Computers in the Foodservice Industry	Orlando
2/27	Dining Room Management	Tampa
4/11-12	Banquets and Buffets	Tampa

Georgia

1/23	Creative Merchandising Techniques	Atlanta
2/20	Basic Purchasing	Atlanta
3/14-15	Location! Location! Location! How to Successfully Negotiate and Finance Your New Operation	Atlanta
4/17	Wine: Sales and Merchandising	Atlanta
4/19	Perfecting Your Culinary Skills	Atlanta

Idaho

6/27	Kitchen Management	Boise

Illinois

2/27	Controlling Food Cost	Schaumburg
3/13	Simplified Baking Workshop	Chicago
4/3	Basic Supervision in Foodservice	Chicago
6/20	Basic Purchasing	Chicago

In addition we will hold the following seminars at the NRA Show in Chicago, May 19-20:

5/19	Opening A Restaurant: Before You Start Cooking...
5/19	Computers in Foodservice: A Primer
5/19	Controlling Food Cost
5/19	Dining Room Management
5/19-20	Off-Premise Catering
5/19-20	Operational Analysis
5/19-20	Location! Location! Location! How to Successfully Negotiate and Finance Your New Operaion
5/19-20	Restaurant Design and Facilities Planning
5/20	Computers in Foodservice: Advanced Technologies/Now That I Have One...
5/20	Menu Development
5/20	Kitchen Management
5/20	Motivation: Increasing the Desire To Do More and Better Work

Indiana

3/15	Perfecting Your Culinary Skills	Indianapolis
6/25	Dining Room Management	Indianapolis

Iowa

5/7	Basic Purchasing	Des Moines

Kansas

2/8	Kitchen Management	Wichita
6/27	Dining Room Management	Wichita

Kentucky

2/15	Dining Room Management	Louisville

Louisiana

1/24	Controlling Food Cost	New Orleans
1/25-26	American Regional Cookery	New Orleans
4/17	Basic Supervision in Foodservice	New Orleans
4/19	Wine: Sales and Merchandising	New Orleans
6/4	Computers in Foodservice: A Primer	New Orleans
6/5	Computers in Foodservice: Advanced Technologies/Now That I Have One...	New Orleans

Maine

2/27	Motivation: Increasing the Desire to do More and Better Work	Portland
4/9	Opening A Restaurant: Before You Start Cooking...	Portland

Maryland

3/6	Basic Supervision in Foodservice	Baltimore
3/26	Computers in Foodservice: A Primer	Baltimore
3/27	Computers in Foodservice: Advanced Technologies/Now That I Have One...	Baltimore
4/24	Principles of Labor Cost Management	Baltimore
4/25	Advanced Labor Cost Management	Baltimore

Massachusetts

1/30-31	Off-Premise Catering	Boston
2/6	Soups and Sauces	Boston
3/12-13	American Regional Cookery	Boston
4/30	Kitchen Management	Boston
6/25	Basic Purchasing	Boston
6/26	Basic Supervision in Foodservice	Boston

Michigan

1/9	Basic Purchasing	Detroit
4/26	The Pantry: Prep for Profit	Detroit
6/26-27	American Regional Cookery	Detroit

Minnesota

5/2	Motivation: Increasing the Desire to do More and Better Work	Minneapolis
6/11	Kitchen Management	Minneapolis

Missouri

2/2	Dining Room Management	Kansas City
3/26	Creative Merchandising Techniques	St. Louis
4/16	Controlling Food Cost	Kansas City
6/18	Computers in Foodservice: A Primer	Kansas City
6/19	Computers in Foodservice: Advanced Technologies/Now That I Have One...	Kansas City

Montana

6/25	Kitchen Management	Billings

Nebraska

3/7	Dining Room Management	Omaha
6/13	Kitchen Management	Omaha

Nevada

1/9-12	9th Annual Tableservice Conference	Las Vegas
1/25-26	Banquets and Buffets	Reno
1/26	Motivation: Increasing the Desire to do More and Better Work	Reno
3/6-7	American Regional Cookery	Las Vegas
3/8	Perfecting Your Culinary Skills	Las Vegas
4/30-5/1	Off-Premise Catering	Las Vegas
5/1	The Pantry: Prep for Profit	Las Vegas

New Hampshire

4/4	Simplified Baking Workshop	Exeter

New Jersey

4/9	Basic Purchasing	Atlantic City
4/9	Creative Merchandising Techniques	Atlantic City
4/9-10	Off-Premise Catering	Atlantic City
4/10	Dining Room Management	Atlantic City
4/10	Kitchen Management	Atlantic City

New Mexico

2/6	Kitchen Management	Albuquerque

New York

2/6	Principles of Labor Cost Management	New York
2/7	Advanced Labor Cost Management	New York
4/4-5	Location! Location! Location! How to Successfully Negotiate and Finance Your New Operation	New York
5/2	Kitchen Management	Binghamton
5/8	Simplified Baking Workshop	New York
6/19-20	Banquets and Buffets	Westchester

North Carolina

4/3	Opening A Restaurant: Before You Start Cooking...	Raleigh

Ohio

2/9	Wine: Sales and Merchandising	Cincinnati
3/13	Perfecting Your Culinary Skills	Columbus
3/27-28	Operational Analysis	Columbus
3/28	Dining Room Management	Cleveland
4/18	Kitchen Management	Cincinnati

Oklahoma

3/13	Train the Trainer	Oklahoma City
4/16	Dining Room Management	Oklahoma City

Oregon

1/16	Kitchen Management	Portland
2/15	Motivation: Increasng the Desire to do More and Better Work	Portland
6/5	Creative Merchandising Techniques	Portland

STATE

Pennsylvania

2/8	Soups and Sauces	Philadelphia
2/28-29	Banquets and Buffets	Philadelphia
3/5-6	Off-Premise Catering	Pittsburgh
3/8	Wine: Sales and Merchandising	Philadelphia
3/26	Dining Room Management	Allentown
4/11	Principles of Labor Cost Management	Philadelphia
4/12	Advanced Labor Cost Management	Philadelphia
4/16	Kitchen Management	Pittsburgh
5/7-8	Operational Analysis	Philadelphia
6/20	Kitchen Management	Lancaster

Rhode Island

6/4	Dining Room Management	Newport

South Carolina

3/28	Kitchen Management	Columbia

Tennessee

3/26	Kitchen Management	Knoxville
4/18	Dining Room Management	Memphis

Texas

1/23	Controlling Food Cost	Houston
3/6	Opening A Restaurant: Before You Start Cooking...	Dallas
5/29	Kitchen Management	Ft. Worth

Utah

3/12	Train the Trainer	Salt Lake City
6/18	Controlling Food Cost	Salt Lake City

Vermont

3/5	Controlling Food Cost	Burlington

Virginia

1/16-17	Location! Location! Location! How to Successfully Negotiate and Finance Your New Operation	Richmond
4/10	Perfecting Your Culinary Skills	Richmond
5/15	Wine: Sales and Merchandising	Williamsburg

Washington

1/17	Kitchen Management	Seattle
2/17	Train the Trainer	Spokane
4/7	Opening A Restaurant: Before You Start Cooking...	Seattle
5/7	Principles of Labor Cost Management	Seattle
5/8	Advanced Labor Cost Management	Seattle
6/4	Creative Merchandising Techniques	Tacoma

Wisconsin

2/16	Dining Room Management	Milwaukee
4/17-18	Banquets and Buffets	Milwaukee
5/8	Basic Supervision in Foodservice	Milwaukee
6/19-20	Operational Analysis	Milwaukee
6/20	Soups and Sauces	Milwaukee

NRA SEMINARS BY DATE

JANUARY–JUNE 1984

January

1/9	Basic Purchasing	Detroit, MI
1/9-12	Ninth Annual Tableservice Conference	Las Vegas, NV
1/16	Dining Room Management	San Diego, CA
1/16	Kitchen Management	Portland, OR
1/16-17	Location! Location! Location! How to Successfully Negotiate and Finance Your New Operation	Richmond, VA
1/17	Dining Room Management	San Francisco, CA
1/17	Kitchen Management	Seattle, WA
1/19	Kitchen Management	Los Angeles, CA
1/23	Creative Merchandising Techniques	Atlanta, GA
1/23	Controlling Food Cost	Houston, TX
1/23-24	Off-Premise Catering	Miami, FL
1/24	Creative Merchandising Techniques	Miami, FL
1/24	Controlling Food Cost	New Orleans, LA
1/25-26	Banquets and Buffets	Reno, NV
1/25-26	American Regional Cookery	New Orleans
1/26	Motivation: Increasing the Desire to do More and Better Work	Reno, NV
1/30-31	Off-Premise Catering	Boston, MA
1/30	Dining Room Management	Denver, CO
1/31	Dining Room Management	Phoenix, AZ

February

2/2	Dining Room Management	Kansas City, MO
2/6	Kitchen Management	Albuquerque, NM
2/6	Soups and Sauces	Boston, MA
2/6	Principles of Labor Cost Management	New York, NY
2/7	Advanced Labor Cost Management	New York, NY
2/8	Kitchen Management	Wichita, KS
2/8	Soups and Sauces	Philadelphia, PA
2/9	Wine: Sales and Merchandising	Cincinnati, OH
2/15	Dining Room Management	Louisville, KY
2/15	Kitchen Management	Washington, DC
2/15	Motivation: Increasing the Desire to do More and Better Work	Portland, OR
2/16	Dining Room Management	Milwaukee, WI
2/17	Train the Trainer	Spokane, WA
2/19-22	National Conference on Computers in the Foodservice Industry	Orlando, FL
2/20	Basic Purchasing	Atlanta, GA
2/26	Basic Supervision in Foodservice	Washington, DC
2/27	Dining Room Management	Tampa, FL
2/27	Controlling Food Cost	Schaumburg, IL
2/27	Motivation: Increasing the Desire to do More and Better Work	Portland, ME
2/28-29	Banquets and Buffets	Philadelphia, PA
2/28	Basic Supervision in Foodservice	Denver, CO
2/29	Dining Room Management	Birmingham, AL

March

3/5	Controlling Food Cost	Burlington, VT
3/5-6	Off-Premise Catering	Pittsburgh, PA
3/6	Perfecting Your Culinary Skills	Denver, CO
3/6	Basic Supervision in Foodservice	Baltimore, MD
3/6	Opening A Restaurant: Before You Start Cooking...	Dallas, TX
3/6-7	American Regional Cookery	Las Vegas, NV
3/6-7	Operational Analysis	San Francisco, CA
3/7	Dining Room Management	Omaha, NE
3/8	Perfecting Your Culinary Skills	Las Vegas, NV

3/8	Wine: Sales and Merchandising	Philadelphia, PA
3/12	Train the Trainer	Salt Lake City, UT
3/12-13	American Regional Cookery	Boston, MA
3/13	Perfecting Your Culinary Skills	Columbus, OH
3/13	Simplified Baking Workshop	Chicago, IL
3/13	Train the Trainer	Oklahoma City, OK
3/14-15	Location! Location! Location! How to Successfully Negotiate and Finance Your New Operation	Atlanta, GA
3/15	Perfecting Your Culinary Skills	Indianapolis, IN
3/19	Kitchen Management	Little Rock, AR
3/19-22	2nd Annual Conference on Alcoholic Beverage Service	San Francisco, CA
3/26	Dining Room Management	Allentown, PA
3/26	Kitchen Management	Knoxville, TN
3/26	Creative Merchandising Techniques	St. Louis, MO
3/26	Computers in Foodservice: A Primer	Baltimore, MD
3/26-27	Off-Premise Catering	San Diego, CA
3/27	Simplified Baking Workshop	Washington, DC
3/27	Computers in Foodservice: Advanced Technologies/Now That I Have One...	Baltimore, MD
3/27-28	Operational Analysis	Columbus, OH
3/28	Dining Room Management	Cleveland, OH
3/28	Kitchen Management	Columbia, SC

April

4/2	Basic Purchasing	Los Angeles, CA
4/2-3	Planning and Implementing Restaurant Marketing Strategy	Hartford, CT
4/3	Basic Supervision in Foodservice	Chicago, IL
4/3	Opening a Restaurant: Before You Start Cooking...	Raleigh, NC
4/4	Simplified Baking Workshop	Exeter, NH
4/4-5	Location! Location! Location! How to Successfully Negotiate and Finance Your New Operation	New York, NY
4/7	Opening a Restaurant: Before You Start Cooking...	Seattle, WA
4/9	Creative Merchandising Techniques	Atlantic City, NJ
4/9	Basic Purchasing	Atlantic City, NJ
4/9	Opening a Restaurant: Before You Start Cooking...	Portland, ME
4/9-10	Off-Premise Catering	Atlantic City, NJ
4/10	Dining Room Management	Atlantic City, NJ
4/10	Kitchen Management	Atlantic City, NJ
4/10	Perfecting Your Culinary Skills	Richmond, VA
4/11	Principles of Labor Cost Management	Philadelphia, PA
4/11-12	Banquets and Buffets	Tampa, FL
4/12	Advanced Labor Cost Management	Philadelphia, PA
4/16	Kitchen Management	Pittsburgh, PA
4/16	Controlling Food Cost	Kansas City, MO
4/16	Dining Room Management	Oklahoma City, OK
4/17	Wine: Sales and Merchandising	Atlanta, GA
4/17	Basic Supervision in Foodservice	New Orleans, LA
4/17-18	Banquets and Buffets	Milwaukee, WI
4/18	Dining Room Management	Memphis, TN
4/18	Kitchen Management	Cincinnati, OH
4/19	Perfecting Your Culinary Skills	Atlanta, GA
4/19	Wine: Sales and Merchandising	New Orleans, LA
4/24	Principles of Labor Cost Management	Baltimore, MD
4/24	Motivation: Increasing the Desire to do More and Better Work	San Francisco, CA
4/25	Advanced Labor Cost Management	Baltimore, MD
4/25-26	Planning and Implementing Restaurant Marketing Strategy	Denver, CO
4/26	The Pantry: Prep for Profit	Detroit, MI
4/26	Train the Trainer	Los Angeles, CA
4/30	Basic Purchasing	Little Rock, AR
4/30	Kitchen Management	Boston, MA
4/30-5/1	Off-Premise Catering	Las Vegas, NV
4/30-5/1	Planning and Implementing Restaurant Marketing Strategy	Washington, DC

Registration Please print or type.

Seminar _____
date and location _____

Name _____

Title _____

Name _____

Title _____

Seminar _____
date and location _____

Name _____

Title _____

Name _____

Title _____

Company _____

Mailing Address _____

City, State, Zip _____

Phone ( ) _____

☐ NRA Member
☐ Co-sponsoring association member

☐ Check enclosed
Make checks payable to: National Restaurant Association

☐ **Send Me More Information on the Following Seminars:**

_____

_____

_____

_____

_____

Discount available for multiple attendance—when two or more attendees register from the same company each will receive a discount off the regular registration fee.

	Members*	Non- Members
One-day seminars		
One	$140	$170
Two or more	$125	$155
Two-day seminars		
One	$310	$370
Two or more	$245	$310

*NRA or co-sponsoring state association

Mail this form to, or call:
National Restaurant Association 311 First St., NW Washington, DC 20001
(800) 424-5156 (202) 638-6100

May

5/1	The Pantry: Prep for Profit	Las Vegas, NV
5/2	Motivation: Increasing the Desire to do More and Better Work	Minneapolis, MN
5/2	Kitchen Management	Binghamton, NY
5/3	The Pantry: Prep for Profit	San Francisco, CA
5/7	Principles of Labor Cost Management	Seattle, WA
5/7	Basic Purchasing	Des Moines, IA
5/7-8	Operational Analysis	Philadelphia, PA
5/8	Basic Supervision in Foodservice	Milwaukee, WI
5/8	Advanced Labor Cost Management	Seattle, WA
5/8	Simplified Baking Workshop	New York, NY
5/9	Creative Merchandising Techniques	Wilmington, DE
5/9	Principles of Labor Cost Management	San Francisco, CA
5/10	Advanced Labor Cost Management	San Francisco, CA
5/15	Wine: Sales and Merchandising	Williamsburg, VA
5/19	Opening a Restaurant Before You Start Cooking...	Chicago, IL-Show
5/19	Computers in Foodservice: A Primer	Chicago, IL-Show
5/19	Controlling Food Cost	Chicago, IL-Show
5/19	Dining Room Management	Chicago, IL-Show
5/19-20	Location! Location! Location! How to Successfully Negotiate and Finance Your New Operation	Chicago, IL-Show
5/19-20	Restaurant Design and Facilities Planning	Chicago, IL-Show
5/19-20	Off-Premise Catering	Chicago, IL-Show
5/19-20	Operational Analysis	Chicago, IL-Show
5/20	Computers in Foodservice: Advanced Technologies/Now That I Have One...	Chicago, IL-Show
5/20	Menu Development	Chicago, IL-Show
5/20	Kitchen Management	Chicago, IL-Show
5/20	Motivation: Increasing the Desire to do More and Better Work	Chicago, IL-Show
5/29	Kitchen Management	Ft. Worth, TX

June

6/4	Dining Room Management	Newport, RI
6/4	Creative Merchandising Techniques	Tacoma, WA
6/4	Computers in Foodservice: A Primer	New Orleans, LA
6/5	Creative Merchandising Techniques	Portland, OR
6/5	Computers in Foodservice: Advanced Technologies/Now That I Have One...	New Orleans, LA
6/6-7	Banquets and Buffets	Los Angeles, CA
6/11	Kitchen Management	Minneapolis, MN
6/11	Principles of Labor Cost Management	Dewey Beach, DE
6/11	Wine: Sales and Merchandising	Denver, CO
6/12	Advanced Labor Cost Management	Dewey Beach, DE
6/12	Basic Supervision in Foodservice	Los Angeles, CA
6/13	Dining Room Management	Washington, DC
6/13	Kitchen Management	Omaha, NE
6/18	Computers in Foodservice: A Primer	Kansas City, MO
6/18	Controlling Food Cost	Salt Lake City, UT
6/19	Computers in Foodservice: Advanced Technologies/Now That I Have One...	Kansas City, MO
6/19-20	Banquets and Buffets	Westchester, NY
6/19-20	Operational Analysis	Milwaukee, WI
6/20	Kitchen Management	Lancaster, PA
6/20	Basic Purchasing	Chicago, IL
6/20	Soups and Sauces	Milwaukee, WI
6/25	Dining Room Management	Indianapolis, IN
6/25	Kitchen Management	Billings, MT
6/25	Basic Purchasing	Boston, MA
6/26	Basic Supervision in Foodservice	Boston, MA
6/26-27	American Regional Cookery	Detroit, MI
6/27	Dining Room Management	Wichita, KS
6/27	Kitchen Management	Boise, ID
6/28	Wine: Sales and Merchandising	San Diego, CA

NATIONAL RESTAURANT ASSOCIATION

311 First Street N.W.
Washington, D.C. 20001

BLACK & WHITE & NEW ALL OVER

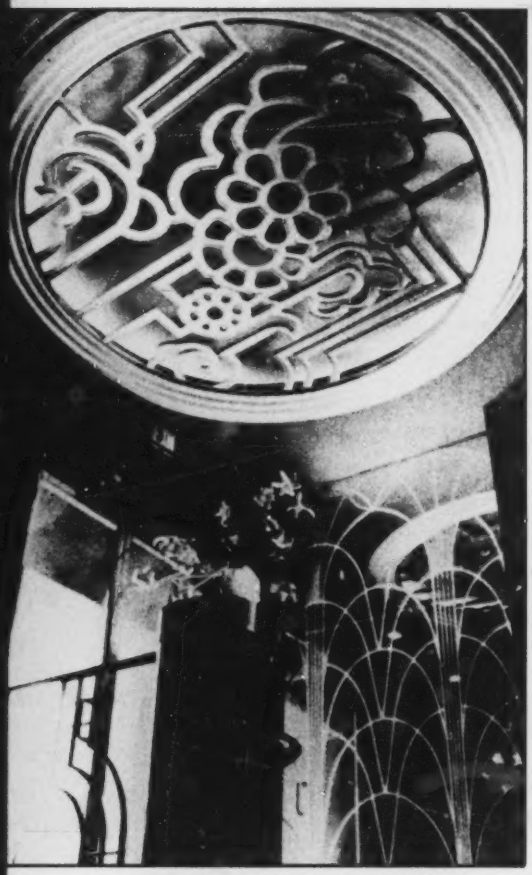
Contrasting black and white details provide the focal point for the art deco atmosphere at the Pleasant Peasant restaurant in Washington, DC, designed by John Oetgen, president of Oetgen Design in Atlanta, GA

by Cecelia Niepold

Chairs, tables, walls and floors are standard components of every restaurant. Add a few focal pieces—an offbeat art deco clock, a restored antique bar or stained glass window—and you've created your own unique atmosphere. More and more operators are getting personally involved in restaurant design in response to patron demand for individualistic atmospheres.

Henry Africa in Alexandria, VA, is an example of a restaurant that underwent some major design changes to offer patrons an environment that emphasizes comfortable elegance. Hector Guimard style French wrought iron gates, brass railings and extensive use of Tiffany influenced stained glass are some of the details Gary Turner, president of GB Decorative Design Company, Inc., in Alexandria, VA, designed and manufactured to create the luxurious art nouveau atmosphere. Rich shades of forest green are complemented by a brightly patterned, custom-designed wallpaper that is based on Louis Sullivan's stencil designs in the Chicago Stock Exchange.

A somewhat different design approach was used by John D. Oetgen, president of Oetgen Design in Atlanta, GA, when planning the Pleasant Peasant restaurant in Washington, DC. Bold colors and sharp lines are juxtaposed with black and white details to give this restaurant a casual but sophisticated, art deco flavor. High ceilings, extra large windows and glazed wall tiles add a dramatic flair and an overall feeling of open space and airiness.



Gary Turner of G.B. Decorative Design created deco artifacts for the interior of the Piccolo Mondo Restaurant in Washingon, DC.

Design trends...

These are only two types of design options available today. In general, restaurateurs and the designers they work with are shying away from the "me too" look. They want to make their establishments stand apart from the competition, and they want environments that will last. "Really trendy places have short life expectancies. A trendy restaurant painted purple with silver lines two years ago looks a little tired now," observes Gary Turner. "If you're after a unique interior, one that reflects your own individuality, there is no specific formula."

There are, however, some general trends in restaurant design that can be used as jumping-off points for individual design plans. At one end of the spectrum is decor emphasizing a nostalgic, romantic or sentimental atmosphere. At the other extreme is decor that is starkly functional, with streamlined lines and bold colors. In between are designs like art deco that combine a more streamlined look with design elements reminiscent of a specific period or style and decor that emphasizes the natural look of wood and plants.

John Oetgen has noticed more restaurateurs leaning toward the cleaner, more streamlined look. "Restaurateurs are designing space, rather than just decorating the space," he says. The focus is on clean and simple lines, bold colors and such elements as glass, brick, etched glass and stainless steel.

One important reason for choosing a streamlined design is that it keeps restaurants from being tied to a specific menu. This allows restaurateurs to easily adapt their operation to changes in the marketplace.

"People want to have the option of changing the type of food they offer, and the interior has to be designed to allow changes in food types without causing overall design or atmosphere alterations," says Gary Turner.

Art deco, based on a design movement popular in the 1920s and 1930s, is a type of streamlined decor with exaggerated lines, geometric shapes and a predominance of black and white and strong colors. Restaurants designed in this style not only emphasize materials, such as laminates, glass and mirrors, but they also evoke memories of an earlier time. This is one way to add some nostalgic elements to an otherwise slick look. Other operators add one or two unusual pieces of furniture or architectural antiques, such as a grandfather clock or baby grand piano.

Atmospheres emphasizing nostalgia appeal to young and old patrons because they are fun, observes Bob Rogers, vice president of Development and Construction with Darryl's Division of General Mills. Nostalgic environments generally include reclaimed or restored articles from the past that run the gamut from an old Ford Edsel to a vintage Coca-Cola sign or a turn-of-the-century portrait.

In recent years there has been a movement to specialize in one or two types of antique elements, according to Sheila Ley of Joe Ley Antiques in Louisville, KY—a family-owned business that collects and sells a wide variety of architectural and assorted antiques. "Clients are asking specifically for sports-related antiques, old musical instruments and country-type articles, such as old rakes and farming equipment to use as focal points in their restaurants' nostalgic themes," she says. This specialization helps to set apart one nostalgic restaurant from another.

Environments emphasizing a natural look use rich woods and simple textures. They often feature creative arrangements of plants and fresh flowers. The goal here is to create a warm, comfortable atmosphere. Designers favoring this look are experimenting with new touches as popularity of this decor has increased. Operators realize it now takes more than just green plants, big windows and eye-catching woods to create a unique natural decor. They have added warm colored

PITFALLS TO AVOID
When planning a redesign project

1. **Pay attention to your budget.** You should know exactly how much you want to spend to help you decide what changes you can make. Otherwise, you may get halfway through the design process and realize you haven't budgeted appropriately.
2. **Don't just estimate the costs.** Get written estimates for all structural changes and plans. Get fixed contracts when possible to pin down final costs.
3. **Avoid the shotgun approach.** Decide on a specific

Unable to find a dramatic wallpaper for a large wall area in Henry Africa in Alexandria, VA, G.B. Decorative Design Company, Inc. in Alexandria, VA, designed and applied this handpainted wall mural themselves. The design is definitely the focal point of this room and emphasizes the patterned glass on the back wall, as well as the wrought iron detail throughout the restaurant.

marble and muddy colors, such as mauves, purples and grays, that mix well with wood tones.

When should you change your environment?...

When is it time to change your atmosphere or environment? One factor to consider is competition.

"Don't wait until somebody takes the business from you. You have to make a major change periodically to maintain your image," emphasizes Winston (Win) Schuler, chairman of Win Schuler's, Inc. in Marshall, MI. "Every five to seven years completely redo your property," he suggests, "and use your imagination."

"Even if the quality of a restaurant is good, people won't come if it's boring. To be successful over a period of time, a restaurant has to create a certain excitement," says Anthony Ridgway, president of AW Ridgway, Inc. in Naples, FL. If you or your customers seem tired of the same old environment—it may be time to think about a change in atmosphere. "Let your customers know you're doing it for them and get them excited about the changes," suggests John Dankos, former NRA chairman and president of Dankos Enterprises in Richmond, VA.

A logical time to change your design is when you're adding space. This may be the time to consider changing or expanding your entire restaurant's concept to boost sales. Anthony Ridgway decided to add a smaller, more casual restaurant area to his white tablecloth operation in Naples, FL. He added an upstairs dining area—Truffles—and a bakery that provides upscale carryout. These operations balanced the more formal Chef's Garden restaurant downstairs.

design concept. It will probably save you time and money in the long run.

4. **Refrain from making last minute decisions.** Develop a plan and a time frame and stick to it. Every extra day you're closed for remodeling means lost business.
5. **Watch out for creative decors or items that are not practical.** For instance, light bulbs should be easy to change, fabrics should be durable, and furniture must be functional.
6. **Don't ignore your bathrooms.** Clean and fresh bathrooms are an important component of your restaurant's overall environment--and people expect these areas to be spotless.
7. **Watch out for your competition.** Thoroughly research your market and your competitors before initiating design changes to stay ahead of the crowd.
8. **Avoid using artificial accessories.** Use fresh flowers and live plants.
9. **Pay attention to the small details.** For example, don't put tables too close to draperies or etched glass, which soil easily and are difficult to clean.
10. **Don't forget maintenance.** Restaurants need constant upkeep to stay looking fresh and clean.
11. **Don't be afraid to make design or decor changes.** Analyze the function as well as the design of your restaurant, but above all, don't hesitate to be innovative.

COMPARE YOURSELF

with industry averages

Restaurant Industry Operations Report '83

With this NRA report you can compare your financial profile with that of similar restaurants. NRA's 1983 ***Operations Report*** provides data on industry operating ratios for income, expenses and profit by type of establishment, sales volume, years in business and region of the country.

Order No. CS935; NRA members $15, non-members $30; 85 + pgs.; 1983.

MAKE IT CLEAR

Put it in writing

How to Prepare a Restaurant Operations Manual

An operations manual will help both you and your employees take the guesswork out of daily operations. This do-it-yourself handbook provides clear directives for developing an operations manual. Worksheets and forms will help you write and organize the manual. You'll end up with a top-notch manual specifically tailored to the needs of your operation.

Order No. CS300; NRA members $10, non-members $20. 130 + pgs., 1982.

Order Information

Payment must accompany all orders. Please add $2.00 for shipping and handling for orders under $20. Add 10% of the total cost of items before taxes for orders over $20. Washington, DC. and Illinois residents must add 6% sales tax to their total. Chicago, IL. residents must add additional 1%. Send order information with accompanying check to the National Restaurant Association, 311 First St., NW, Wash., DC 20001.

Credit card telephone orders are accepted. Call (800) 424-5156 or (202) 638-6100.

Invest in people It's an investment in your future

How to Invest in People —*A Workbook for Foodservice Operators*

As the demand for employees continues to grow through the decade of the 80's, it will be increasing difficult for foodservice operators to find and hire qualified, motivated personnel.

How to Invest in People will show you how to build a strong, reliable, well-qualified staff and keep them in your operation.

This National Restaurant Association workbook is designed to help you set up a well-structured career ladder which gives your employees a chance to grow with the organization.

Chapters focus on

–The concept of career ladders and whether it is right for you
–How to set up a career ladder
–How to make a career ladder work for the company as well as the employee
–Sample foodservice career ladders which work

Worksheets included in each chapter will help design your career ladder to meet your specific needs.

Order today for your future, *How to Invest in People*

Order No. MG290; cost $8.00; 32 pgs., 1983. Payment must accompany all orders. Please add $2.00 for shipping and handling for all orders under $20 or add 10% of the total cost of items before taxes for orders above $20. Washington, DC and Illinois residents must add 6% tax to their total. Chicago, IL residents add additional 1% tax. Send order information with accompanying check to the National Restaurant Association, 311 First St., NW, Washington, DC 20001.

Credit card telephone orders are accepted. Call (800) 424-5156 or (202) 638-6100.

What are some of the steps for a successful design or redesign?. . .

Changing your restaurant's design or atmosphere can seem like an overwhelming task. Mapping out a logical strategy and carefully organizing your approach can make the process more manageable and a lot more efficient. Here are a few steps you may want to consider:

- **Decide what type of atmosphere you would like to create.** One way to do this is to think about your patrons and the type of environment that would make them comfortable—after all they are your top priority. Also, take an objective look at the building itself and ask what type of atmosphere will "fit" the structure.
- **Do a market research study.** See if your concept matches what customers want in your area and what your competition is not offering. The industry is changing so fast that a market study can help you stay on target.
- **Check your building's structure.** Make sure you know exactly what you can and cannot do with the interior. Have an architect or engineer examine the structure to make sure it's sound and that any structural changes you may want to make are feasible.
- **Decide on a budget.** This is an important step. Knowing how much you're willing to spend will help you decide exactly which changes you want to make and which you can afford to carry out. A step-by-step approach can be a workable option. Even small changes one at at time can add up to a major change. "If I had a minimal amount of money, I would clean up, spruce up and not change a great deal. Something about fresh plants, new paint and clean bathrooms can really make a difference," maintains Gary Turner.
- **Carefully plan your overall design.** "To achieve the effect of not overdoing it takes a lot of effort. The more planning and strategy you put into your design at the beginning, the better the end result will be," says Bob Rogers of General Mills.
- **Investigate the zoning laws in your area.** Check the building codes for your area. "If you're in an historical district, make sure you're aware of the building restrictions," advises Gary Turner.
- **Meet with your staff.** Often the staff has constructive suggestions about design changes. "If you're expanding, meet with the chef, maitre d' and bar manager to get some feedback and make sure any new ideas are workable," suggests Theodore Dickens of Henry Africa.
- **Decide if you want to use a designer or work directly with suppliers and contractors.** Designers can know the best, least expensive and most efficient way to go about implementing design changes. But you don't have to turn the project over to them entirely. For example, you can get some expert advice by buying several hours of a designer's time and then do the contracting on your own.

  Another option is to work directly with suppliers who collect and sell artifacts and antiques. Many of these firms can also give you advice.

What to consider before you sign the contract. . .

If you decide to use a designer, there are several questions you should ask before you sign the contract, suggests Gary Turner.

- Where does the designer buy materials? (You want to insure you are getting quality merchandise.)
- How long has the designer been in the area?
- How much time and effort will be put into the job? Will the designer be around if something goes wrong?
- How has the designer performed in the past? Look at other restaurants the designer has done to make sure you like the style of work. This also gives you a chance to discuss how easy the designer is to work with and how dependable and cost-conscious he or she is. Ask: "Did the designer have the job done on time and within budget?"

In sum. . .

Don't be afraid to take a chance at creating a new look for your restaurant. After all, you change your menu to stay abreast of the times and to offer new alternatives. The look of your restaurant is just as important because it sets the mood for the dining experience. ❑

STEREO RESTAURANT STYLE

by Steve Goldstein, *president, Audio Krafters, Washington, DC*

Several years ago the sound system in Mr. Henry's, a popular Washington, DC, restaurant and bar, broke down in the middle of a busy Saturday night. An hour later, the place was empty. "Customers may not seem to notice the music when it's playing," comments Larry Samuels, manager of the restaurant, "but they sure know when it stops."

Music sets the mood and projects an image to restaurant customers. It is an expression of a restaurant's personality and an indication of the type of patrons who gather there. An establishment that blasts new wave or rock and roll music will attract a very different group of people than one that plays soft classical music or Muzak.

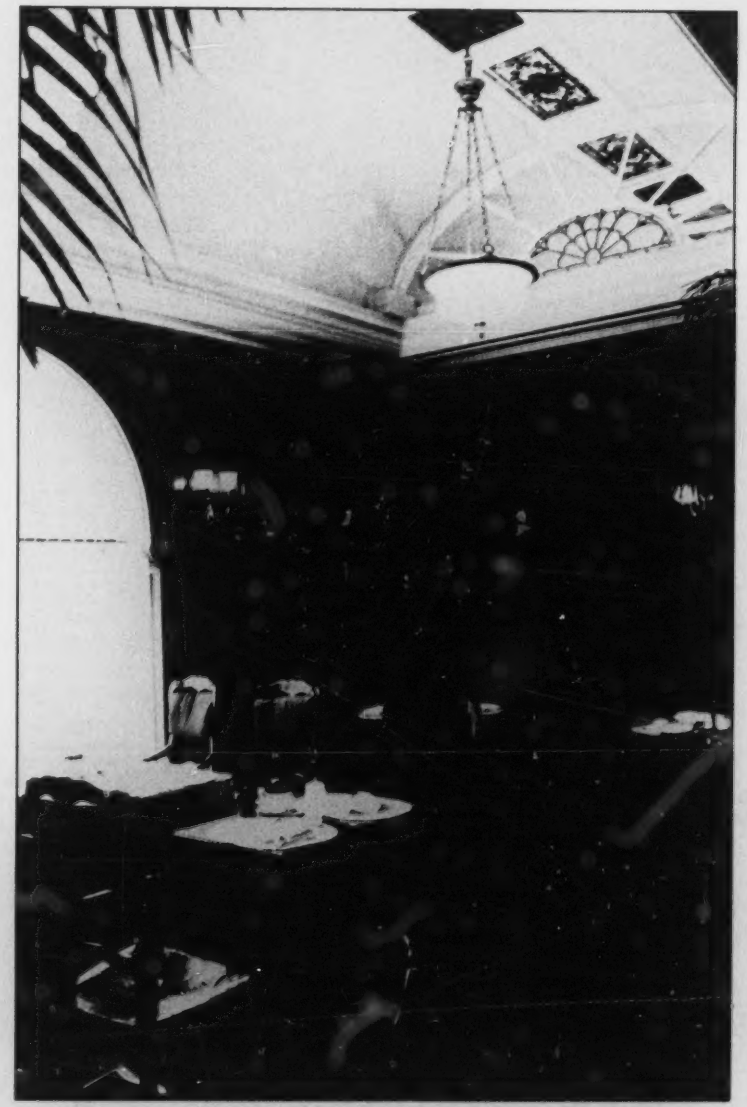
Music combines with decor and menu to create a restaurant's ambiance. Therefore, it is important that your choice of music remains consistent with the atmosphere projected by the other elements. The time taken to select appropriate music pays off in satisfied customers who linger over coffee and dessert or drinks to enjoy the environment that you have created.

Yet even the most carefully selected music will be a disaster if played on a system inadequate for a restaurant's needs. The large spaces and high noise levels in restaurants make the environment an acoustical nightmare. Home stereo systems are simply not built to perform adequately in this setting. To guarantee good sound reproduction, it is important to install high-definition audio equipment specifically designed for commerical use. Acoustical requirements can be balanced with design needs to create a unified environment. Here are some tips to keep in mind when considering a new sound system.

1. Consider your audio needs during construction.

The ideal time to install audio equipment is during construction or renovation. If audio needs are taken into consideration in the planning stages of construction, they can be easily incorporated into the design.

You can save as much as 30 or 40 percent on installation charges if you take the opportunity to lay wires and decide on equipment placement while other electrical and



Increasing numbers of establishments are hiding their speakers in planters and ceiling cavities or behind grillwork and screens.

design work is being done. If you can't afford to purchase high quality audio equipment at the time of construction, try to at least lay the wires and plan for the equipment in your design.

If your walls and furnishings are already in place, bring back your interior designer to help develop equipment placements in keeping with the existing design.

2. **Select the music before you buy the equipment.**

Before you select audio equipment, decide what type of music you want to play. Will it be new wave music to a Friday night crowd? Or will you be playing quartets during intimate dinners? The music you select is one of the most obvious statements you can make to customers about your restaurant's personality. So choose it carefully. Then consider the most suitable equipment for your needs. Some operators have talked to disc jockeys and radio engineers to find out what people want to hear.

3. **Change the music to fit the mood.**

If your clientele changes as the day wears on, your music should change as well. A busy lunchtime crowd will demand a different atmosphere than diners ready for a leisurely meal. A flexible system with easy-to-change tapes can provide this variety.

If your restaurant has a bar, investigate installing a separate system in this area of your establishment. Many managers have found that a cassette deck works best in the bar to accommodate customer requests and frequent tape changes. The cassettes are changed by the bartender to maintain maximum flexibility to cater to patron preferences. On the other hand, long-running reel–to–reel tapes are often more feasible for busy dining rooms where frequent tape changes are less desirable. These tapes can be operated in the manager's office or in another behind-the-scenes location.

4. **Shop carefully for an audio firm.**

The restaurant environment demands a lot from equipment. Buy the best you can afford from a firm experienced with providing high definition equipment to restaurants. Shop carefully for a company that provides the expertise and service that your business demands.

To design the best possible audio system, your dealer must have a thorough knowledge of acoustics. He must be able to tell you where to place your equipment for the best sound quality and know how to combat acoustical problems presented by large or oddly shaped rooms. Not all audio equipment firms have on-site acousticians. Check to make sure the one you select does. It may mean the difference between a slightly muffled or a crystal sound.

Look for a company that also provides round-the-clock service and on-premise repair capability. It is crucial for your restaurant to have repairs made promptly, no matter what the hour or problem. You simply can't afford to wait until the next business day for on-site adjustments or several weeks for malfunctioning equipment to return from factory repair offices. Regular cleanings are one way to virtually eliminate costly repairs. Make sure your audio firm provides a regular maintenance routine.

5. **Consult an acoustical engineer.**

Just as the strength of a building's framework depends on the decisions of a trained structural engineer, audio equipment requires the knowledge of acoustical engineers to operate to its full potential.

An engineer trained in acoustics should study your restaurant's design and recommend equipment placements for best sound reproduction. The final design is often a result of a give and take between the acoustical engineer and the restaurant staff.

6. **Pay attention to speaker placement.**

An acoustical engineer can advise you on speaker placements based on the idiosyncrasies of your restaurant. While some rooms adapt well to centralized speakers, sound tends to "rumble around" in large rooms, making a series of smaller speakers throughout the space a more feasible option.

Seating arrangements may also dictate speaker placements. If small tables are spread apart for intimate dining, consider placing speakers over sitting spaces in such areas as light fixtures to create a feeling of a private sound system. On the other hand if tables are arranged for more social or family crowds, several strategically placed speakers will probably do the trick.

Where equipment is placed and how it is installed are important to the ambiance that you wish to project. Undisguised equipment creates a high-tech look that is currently popular in many restaurants. However, increasing numbers of establishments are opting for a more subdued look by hiding their speakers in planters and ceiling cavities or behind grillwork and screens. An experienced audio systems designer can camouflage your system without loss of sound quality.

7. **Modulate the volume.**

Your patrons should not have to shout over the music to speak to their companions. At the same time, however, don't turn down the volume so low that it is insufficient to mask private conversations. Strike a happy medium between the two extremes—provide background music that serves as a buffer between conversations at neighboring tables, yet is not so loud as to make speaking a strain. Remember to turn volume down for scattered diners at off-peak hours and up again during hectic mealtimes. Or ask your audio consultant about a music "audiostat" that automatically adjusts volume to the noise level in your room.

8. **Follow a simple maintenance program.**

Look carefully at your service contract when selecting equipment to make certain that cleaning is provided regularly. Equipment should be placed in ventilated enclosures and professionally cleaned every five or six months. If equipment is clean, cool and well-ventilated, it can last as long as 10 years or more. ❑

Editor's note

Remember that playing records and tapes in your restaurant will obligate you to pay royalties to the performing arts societies which represent the composers of the music you play. These societies collect royalties by selling licenses, which vary in cost depending on the size of your establishment. Merely turning on a radio may subject you to a royalty obligation, if you have a larger restaurant and a sophisticated sound system. See the accompanying excerpt from NRA's Legal Problem Solver for Foodservice Operators.

How the COPYRIGHT LAW governs musical entertainment in restaurants

It is important that you know what you may or may not do in providing musical entertainment in your restaurant and how the federal copyright law might weigh upon your decision regarding the use of such entertainment. This article examines the obligations created by the copyright law.

What is in the copyright law...

U.S. copyright laws (17 US Code 101, etc.) protect the right of composers and publishers of music by requiring payment of royalties to the writers and publishers each time their music is played in a public performance for profit. The rights created by the law extend over the entire period of the copyright, which is 28 years plus a renewal period of an additional 47 years. Most music and musical records or tapes produced today are copyrighted. They, therefore, enjoy the protection of the copyright law.

Practically, this means that a public performance of a copyrighted musical composition in any dining or refreshment room of a hotel or restaurant without the consent of the owner of that copyright constitutes a "public performance for profit." Lack of intent by the restaurant's proprietor to infringe or his lack of knowledge concerning the program to be played or sung will not excuse him from liability for infringement of the composer's copyright rights.

In the case of recorded music, performance rights are generally held by one of the performing arts societies. These groups, in effect, serve as agents for those who compose the music. They collect the fees for commercial uses of musical compositions, such as piping recorded versions into a restaurant or hotel lobby. The three most widely-known performing arts societies are The American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music Incorporated (BMI) and Society of European Stage Authors and Composers (SESAC), a group representing non-American compositions that are distributed largely in the U.S. Other such groups may exist, but these three dominate the field.

Performing arts societies offer contracts...

These societies do not attempt to police their legal right to a royalty when their selections are played for profit on a song-by-song basis. Instead they choose to negotiate contracts with restaurateurs and others who will use all of their works or make selections from them. Such contracts permit the operator to use all the works owned by the one performing arts society. While these contracts, in reality, are private agreements subject to no legal requirements as to minimum fees, a natural pattern has emerged based primarily on the size of the commercial operation wanting to use the music.

The real problem for restaurateurs is that unless they are selective about the ownership of the music they choose to play, they can become liable to all three societies. If you use the societies' music, you must pay for it—whether or not you have a contract with them. They have a right to bring suit. Generally, they waive that right in return for a contract. So you face the danger of having to pay three separate fees in addition to whatever royalties you pay for the records that are played. By being careful, you can limit your obligations. If you confine yourself to playing recorded music for which the performance rights are all owned by the same performing rights society, you become liable to that organization only.

How do you tell if this is so? When you buy a record, look for the copyright owner on the label and record jacket. Be thorough. Not every selection on an album will necessarily be owned by one of the performing rights societies. However, you can select the songs you want and discard the others.

After selecting the copyrighted songs you want, you can simply tape-record them and play them as you wish. You will then be liable only to the performing arts society that owns those songs.

There is another way to resolve the copyright problem. It can be more expensive, however. In most major cities, musical systems are available that provide background music through the use of FM and similar equipment. Supermarkets have made extensive use of these systems. The music is specifi-

cally programmed, and the contractor providing the music usually negotiates directly with the performing rights societies. In such a case the user would pay a fee to the contractor but incurs no possible liability to the performing rights societies. Perhaps the most widely known among such systems is MUZAK, but there are others.

Two exceptions to the copyright law...

There are two ways by which restaurateurs can avoid payment of royalty fees to performing arts societies and still use copyrighted music in their restaurants.

1. Music from jukeboxes

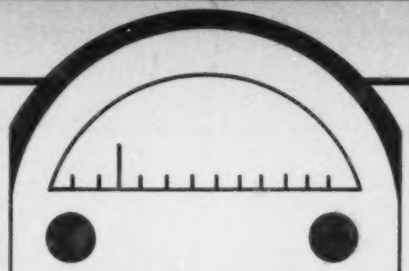
The playing of a musical composition by coin-operated machines is not considered a public performance for profit unless an admission fee is charged. In a word, coin-operated jukeboxes in restaurants are exempt from the copyright laws, and operators incur no liability to composers and recording artists if they install jukeboxes to provide entertainment. This exception becomes void if the restaurant proprietor is the owner of the machine or if he refuses, on request, to disclose the identity of the owner. The jukebox owner must register the machine with the registrar of copyrights and pay a royalty fee of $8.00 a year.

2. Rebroadcasts of radio music

On June 17, 1975, the United States Supreme Court held in the case of *Twentieth Century Music Corporation et al v. Aiken*, 422 U.S. 151, that certain small restaurant owners could, without paying a copyright fee, rebroadcast copyrighted music received on an ordinary "home" radio and amplified by loudspeakers placed throughout the restaurant. This decision to permit rebroadcasts of radio music does not apply to all restaurants. It is applicable only to the Aiken's type of restaurant or a similar one. For that reason, let us examine the facts in the Aiken case.

The facts in the Aiken case...

The Aiken case involved a fast food establishment in downtown Pittsburgh, PA, that sold food for consumption on and off the premises. Normal, over-the-air radio broadcasts were heard by patrons and employees of the restaurant because the owner connected a single radio tuner to five loudspeakers. It was Aiken's practice to switch on the radio at the beginning of each business day, thus having regular radio broadcasts audible in the restaurant during business hours.



Restaurateurs face the danger of having to pay three separate copyright fees.

On March 11, 1972, Aiken's radio was tuned to station WKJF-FM Pittsburgh at the time that two musical compositions, "The More I See You" and "Me and My Shadow," were heard by at least six patrons in the restaurant. WKJF-FM broadcasts with a license issued by ASCAP.

On June 2, 1972, the owners of the copyright to "The More I See You" and "Me and My Shadow" complained to the District Court for the Western District of Pennsylvania that by tuning in and amplifying WKJF-FM's performance of the two musical compositions, Aiken had publicly performed those works for profit; thus violating their rights of copyright. They requested that Aiken be stopped from continuing such conduct, and they asked for damages for violation of their respective copyrights.

The U.S. Supreme Court decided this case in favor of Aiken, the restaurateur.

First, it held that one who manually or by human agency (in this case a radio and loudspeakers) merely actuates electrical instrumentalities that make elements that are already in the air audible to persons within hearing does not "perform" within the meaning of the copyright law. In other words, the radio station performed the copyright items publicly for profit when it broadcast the copyrighted songs. By merely listening to the broadcast, Aiken's restaurant and its customers and employees had no such public performance for profit. As the Court put it, "those who listen do not perform, and therefore do not infringe."

Second, the Court held that to rule the contrary would result in a regime of the copyright law that would be both wholly unenforceable and highly inequitable. On this point the Court stated:

> *One has only to consider the countless business establishments in this country with radio and television sets on their premises--bars and beauty shops, cafeterias and car washes, dentists' offices and drive-ins--to realize the total futility of an even-handed effort on the part of copyright holders to license even a substantial percentage of them.*
>
> *...A ruling that a radio listener performs every broadcast that he receives would be highly inequitable for two distinct reasons. First, a person in Aiken's position would have no sure way of protecting himself from liability of copyright infringement except by keeping his radio set turned off. Even if he secured a license from ASCAP, he would have no way of either foreseeing or controlling the broadcasts of musicians whose copyright was held by someone else. Secondly, to hold that all in Aiken's position perform these musical compositions would be to authorize the sale of an untold number of licenses for what is basically a single public rendition of a copyrighted work. The exaction of such multiple tribute would go far beyond what is required for the economic protection of the copyright owners, and would be wholly at odds with the balanced congressional purpose behind the Copyright Act of assuring the composer of adequate return for the value of his composition while at the same time protecting the public from oppressive monopolies.*

Do the new copyright laws overrule the Aiken case?...

In 1976 Congress passed a massive rewrite of the federal copyright laws. With regard to the playing of radio music in restaurants, the law concerning jukeboxes remains unchanged and the rewrite was seemingly not intended to change the ruling in the Aiken case.

In fact, the House and Senate conference report on the copyright bill clearly indicated that Congress intended no change. Here is a verbatim statement of the congressional intent:

> *It is the intent of the conferees that a small commercial establishment of the type involved in Twentieth Century Music Corporation et al v. Aiken, 422 U.S. 151 (1975), which merely augmented a home-type receiver and which was not of sufficient size to justify as a practical*

matter a subscription to the commercial background music service, would be exempt.

It should be noted that the conference report referred quite specifically to a small commercial establishment of the type involved in the Aiken case.

In spite of Congress' intent in passing Section 110(5) of the new copyright law, some of the copyright licensing companies are approaching restaurant owners to pay copyright fees if they use radios for background music.

This position does not appear to be supported by the law or legislative history. If your restaurant is similar to Aiken's and you use a home-type radio for the background enjoyment of your customers, it would appear that you need not pay ASCAP or any similar company a copyright fee.

Court tests of the new law...

Since ASCAP and BMI have taken positions directly opposing the expressed intent of Congress, it was inevitable that the issue would become the subject of federal court litigation. That finally occurred when ASCAP sued a restaurant company call Cal's, Inc. in the Federal District Court of Chicago, IL. NRA has been substantially involved in assisting in the defense in the Cal's case.

That case, *Leonard Bernstein et. al. v. Cal's, Inc.*, U.S. District Court for the Northern District of Illinois, Eastern Division, No. 79C17, involved a company that owned three Aiken-type fast food restaurants. Each restaurant had a radio receiver connected to four ceiling-mounted speakers located in the public area of the restaurant, which contained approximately 1,000 square feet of space. The receiver was turned on when the stores opened, and musical compositions, together with commercial advertising, were broadcast during all open hours of the restaurants. The question presented to the court was whether Cal's conduct constituted an infringement of the plaintiff's copyrights under the Copyright Act of 1976.

In a memorandum order issued by the court on August 27, 1980, the presiding judge held

...we hold as a matter of law that under the facts presented, the transmission received by defendant on its several receivers is not further transmitted to the public by the speakers which are attached to the receiver and located in a room other than the receiver.

ASCAP and BMI have taken positions directly opposing the expressed intent of Congress.

In other words, the judge held that using a home-type radio with loudspeakers in an Aiken-type restaurant was not a violation of copyright law.

The court than went on to say that it needed further hearings to determine whether or not the radios and loudspeaker equipment used at Cal's restaurants were, indeed, "home-type" equipment. While the court was in the process of setting up and conducting these additional hearings, Cal's, Inc., went into bankruptcy. Immediately ASCAP requested that the case be dismissed. The judge granted the request before a final, complete decision was rendered.

While Cal's case was being litigated in Chicago, two other cases were being tried that involved the same issue in two other federal district courts. In both cases, described below, the retail-type establishment concerned was held to be in violation of copyright law.

Sailor Music etc. v. The GAP Stores, Inc., U.S. District Court, Southern District of New York CIV0059, February 3, 1981.

In this case GAP, operating approximately 420 clothing stores, was charged with copyright violations in their stores. GAP used radio receivers connected to recessed loudspeakers to play radio programs for the enjoyment of their customers. The average size of all GAP stores was 3,500 square feet.

The Court found that GAP was in violation of the copyright law. The Court in its decision compared the GAP facts with the facts in the Aiken case. It first noted that the average size of the GAP stores was 3,500 square feet as compared to the 1,055 square feet in the Aiken case. Second, the court found that the stereo apparatus, including built-in wiring and four to seven loudspeakers recessed in the ceiling, converted "home-type" equipment into a sophisticated commercial sound system. The court concluded that the GAP stores were not small commercial establishments whose reception and performances of radio transmission were intended by Congress to be exempt under Section 110(5) of the copyright law. The case was appealed.

Broadcast Music v. The United States Shoe Corp., as Casual Corner etc., U.S. District Court, Central District of California N079 1936 DWW, January 27, 1981.

In this case BMI, Inc., brought suit against U.S. Shoe Corp.'s Casual Corner stores for violation of the copyright law. The court found that in each of the stores musical compositions were performed by receiving radio broadcasts on a commercial Bogen monaural receiver which were transmitted and made audible by recessed ceiling loudspeakers. The Court held that this equipment was not of a kind commonly used in private homes. The Court, therefore, found that Casual Corner stores were in violation of Section 110(5) of the copyright law because (1) they were not small commercial establishments and (2) they did not use apparatus of a type commonly used in private homes but instead used a commercial sound system. This decision was also appealed.

Where are we now?...

Federal circuit courts of appeals have affirmed the lower court decisions in the GAP case and the U.S. Shoe case. Both have implied that had the companies used home-type equipment in an Aiken-type restaurant situation, then the Aiken decision would have prevailed.

NRA has been advised that ASCAP, BMI and SESAC agents are now showing copies of the GAP and Casual Corner cases to support their demand that all restaurants using home-type radios and loudspeakers pay licensing fees. If you are an Aiken-type restaurant, you may wish to have copies of the Cal's memorandum order and the GAP and U.S. Shoe appeals decisions to show the agent while you are discussing your potential liability. Copies may be obtained from NRA's legal office in Washington, DC. ❑

FOODSERVICE TRENDS

Americans show healthy preference for nutritional foods

An exclusive NRA/Gallup survey reveals that four out of 10 consumers are ordering more nutritious foods away from home.

Restaurants are noticing increased patron interest in nutrition. This is not a misconception.

A recent Gallup survey commissioned by the NRA shows that individuals have really moved toward eating more nutritious foods. Respondents were asked if they have increased the amount of fruits, vegetables or whole grains they eat both at home and in restaurants and if they have cut back on refined sugar, animal fats or salt. Consumers who reported modifying their eating habits when dining out were also asked to specifically name the major changes they have made when ordering in restaurants.

This article summarizes the results of this exclusive Gallup poll to give operators a broader view of the ongoing consumer interest in nutrition and to help them plan their menus to meet these changing needs.

Many consumers have changed their diets at home...

According to the Gallup poll, a substantial number of people say they have actually changed their eating habits at home. Six out of 10 respondents reported either increasing their consumption of fruits, vegetables or whole grains or decreasing their consumption of refined sugar, animal fats or salt. Less than half the consumers—40 percent—said they had not changed their eating habits at home.

A significantly larger proportion of women—67 percent—said they have made nutritious changes in their eating habits at home, compared with a smaller 53 percent of the male respondents. Consumers 25 years and older appear to have made more conscious changes in their eating patterns than younger respondents. A substantial 62 percent of the individuals over 24 years old reported changing their diets at home, versus 48 percent of the younger consumers. Also, adults in upper socio-economic groups were more likely to have changed their eating habits. Seven out of 10 college graduates and 67 percent of the respondents earning at least $30,000 reported eating more nutritious meals at home.

Four out of 10 consumers have changed eating habits when dining out...

Many consumers say they have also changed their eating habits when dining in restaurants. A remarkable four out of 10 individuals surveyed said they are ordering more nutritious foods when eating away from home.

Not surprisingly, those who had made changes in their diets at home were also more likely to have changed their eating habits when dining out. More than six out of 10 consumers who said they were eating more nutritiously at home also reported changing their diets when eating away from home. This compares with only seven percent of the adults who had not changed their eating habits at home, but reported eating more nutritious foods when dining out.

Overall, the same demographic groups who reported improving their eating habits at home also indicated they are ordering more nutritious meals when they eat out. For instance, 44 percent of the women surveyed said they have improved the nutritional content of the meals they eat in restaurants, compared with a smaller 35 percent of the male respondents. More than four out of 10 consumers aged 25 years old and over reported better eating habits in restaurants, versus only 30 percent of the 18 to 24-year-old group. Almost half the college graduates and individuals earning more than $30,000 per year also said they were eating more nutritiously away from home.

Although few differences were reported between working and non-working women's eating habits at home, those female respondents who work said they are more likely to order nutritious foods when dining in a restaurant. More than half the women employed full-time said they had changed their eating habits when dining away from home. This compares with 42 percent of those women who work part-time and 38 percent of the non-working women. Since working women dine in restaurants more frequently than non-employed women (see September issue of ***NRA NEWS***), they are likely to be more conscious of eating nutritiously when they eat away from home.

Consumers name specific changes in ordering. . .

To give restaurateurs a better idea of the ways consumers are changing their eating habits in restaurants, respondents who said they have altered their away from home eating patterns were also asked to name the specific nutritional changes they have made. Focusing on these particular changes should help operators more effectively satisfy their customers' preferences for healthy foods.

Using less salt is a major concern for many consumers and was the top dietary adjustment named by respondents. One in four of those who changed their away from home eating habits said they have cut back on salt when dining away from home. Consumers' concern with eating less salt and ordering low-salt meals is not only widespread, it's growing quickly. According to the August issue of the Gallup *Monthly Report on Eating Out*, almost four in 10 adults—36 percent—said they were very likely to order low-salt meals. This compares with a smaller 30 percent who said they would order low-salt entrees one year earlier. Although low-salt meals appeal to all age groups, senior citizens are particularly interested in being able to order a low-salt entree. Half the respondents 65 years and older indicated they would order a low-salt meal.

Consumers are also interested in reducing their sugar intake and eating low-calorie entrees. One in five patrons reported watching out for sugar or substituting artificial sweeteners. Although only two percent of the respondents indicated they were specifically cutting back calories as a way of changing their eating habits, many customers are interested in having the opportunity to order low-calorie meals. As mentioned in the August issue of the Gallup *Monthly Report on Eating Out*, one in three respondents reported they were very likely to order low-calorie meals in 1983, up from 24 percent one year earlier. Low-calorie entrees are a particular concern to women, with 42 percent expressing strong interest in ordering this type of meal, compared with only 18 percent of the men.

Major changes consumers have made when ordering at restaurants

Change	Percentage of respondents changing eating habits
Use less salt/no salt	25%
More fish/seafood	20
Use less sugar/no sugar	20
More vegetables	18
More salads	18
Less fats	16
Less meat	12
More fruits	11
Avoid fried foods	10
More poultry	9
Choose lean meats	9
Avoid starches	8
Less dessert/no dessert	7
More grains	4
Health/natural foods	2
Less calories	2
No soda	1
More meat	1

Source: *The Gallup Monitor of Eating Away from Home*, September 1983—NRA exclusive question

Percentage of respondents reporting changed eating habits

	Changed eating habits at restaurants	Changed eating habits at home
Total	40%	60%
Sex		
Male	35	53
Female	44	67
Age		
18 to 24 years	30	48
25 to 34 years	42	61
35 to 49 years	41	64
50 to 64 years	45	60
65 years and older	39	65
Education		
College graduate	47	69
High school graduate	41	62
Less than high school graduate	27	46
Annual household income		
$30,000 and over	48	67
$20,000 to $29,999	39	61
$15,000 to $19,999	33	60
Under $15,000	42	60
Women's employment status		
Employed full-time	51	69
Employed part-time	42	65
Not employed	38	66

Source: *The Gallup Monthly Monitor of Eating Away from Home*, September 1983—NRA exclusive question

Fish and seafood are popular items for consumers concerned with eating nutritiously—20 percent of the respondents said they were eating more seafood. Ordering salads and vegetables more often was also listed by a large number of respondents—18 percent—as a specific way they were changing their eating habits when dining away from home. Quite a few respondents—16 percent—are eating less fats, and 12 percent have cut back on eating meats. Approximately one in 10 consumers mentioned they are eating more fruits, avoiding fried foods and ordering more poultry. Surprisingly, only seven percent said they were eating less dessert, suggesting that patrons still enjoy indulging in sweets when eating away from home.

In sum: Offering nutritious food is a healthy idea. . .

The preference for nutritious food is a continuing trend restaurateurs may want to consider to ensure customer satisfaction and repeat patronage. If your customers demonstrate this preference, emphasizing the nutritional aspects of your menu may add to your operation's success. You also may want to consider making menu changes, such as adding more broiled or baked foods (particularly seafood and poultry) and a variety of fresh vegetables and salads. ❑

CHICKEN
moves up the pecking order

"A chicken in every pot on Sunday" was one of Herbert Hoover's most effective campaign promises during the depression era. At that time chicken was a luxury item, and to many Americans eating chicken once a week symbolized improved economic conditions and a more affluent lifestyle. Times and lifestyles have changed, and chicken is now a favorite staple of the American diet.

Chicken sales have grown rapidly due to Americans' preferences for lighter and more nutritious foods as well as relatively low and stable chicken prices. The increasing popularity of chicken has had a widespread and continuing effect on the restaurant industry. For instance, the number of restaurants specializing in chicken has grown tremendously—particulary franchise establishments—and more and more restaurants are offering a variety of chicken entrees on their menus.

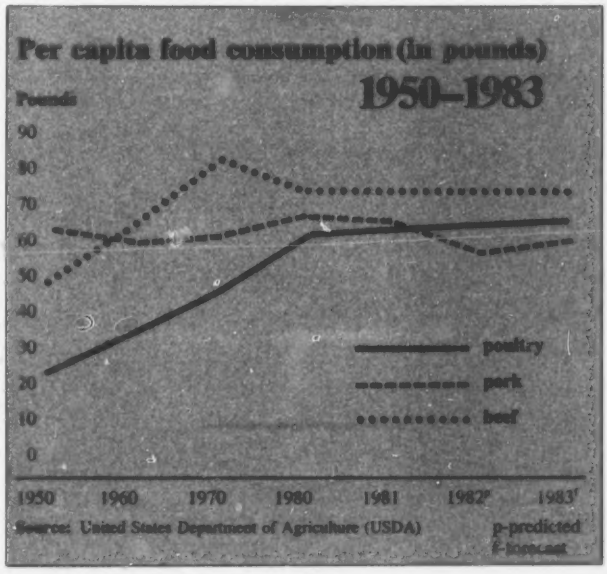
Chicken consumption has skyrocketed...

The consumption trends for chicken and other meats should give restaurateurs a general idea of the rate at which chicken's popularity has increased. Between 1950 and 1983, poultry consumption increased over two and one half times, rising from an average 25 pounds per person in 1950 to a predicted 65 pounds per person in 1983.

Pork consumption has actually decreased slightly—3.7 percent—during this time period and is expected to average 62 pounds per person in 1983. Americans ate less pork than poultry for the first time in 1982; and, according to USDA, that situation should continue through 1983. USDA expects Americans to eat 76 pounds of beef in 1983—up 51.7 percent from 1950. Consumers' love affair with beef has dwindled, however. Beef consumption has declined since 1970's peak of 84 pounds per year.

Chicken prices and supplies should remain fairly stable...

Fairly stable wholesale costs have significantly contributed to the upswing in chicken consumption. For instance, during 1982 wholesale prices for poultry decreased 7.6 percent from the year before. A slight increase in wholesale poultry prices is expected in 1983; prices will range between 44 to 48 cents—up from the average 43 cents per pound during 1982. Next year's prices will be roughly the same. USDA expects poultry prices to average between 47 to 51 cents per pound in 1984, up only slightly from 1983's predicted levels. Increasingly efficient production methods have kept chicken prices at a fairly stable level. Even the drought has not made a significant dent in chicken supplies, which should remain ample throughout 1984 and further contribute to stable poultry prices.



Price changes for poultry, beef/veal and pork 1979 through first eight months 1983

	Poultry	Beef/veal	Pork
1979	−2.8%	24.7%	−6.4%
1980	2.5	3.2	−4.0
1981	nc*	−5.0	11.5
1982	−7.6	−0.8	14.0
First eight months 1983	−1.2	−3.8	−3.8

*no change

Source: *Producer Price Index*, Bureau of Labor Statistics

During the first quarter of 1984, USDA expects broiler production to increase about one percent over 1983's level. Reduced supplies of competing meats during the second half of 1984, however, could push broiler production up two to four percent for the year. Since poultry prices and supplies are expected to remain stable, chicken gives restaurateurs the opportunity to offer their customers an entree that is profitable, popular and can hold its price over time.

Chicken—high in nutrition...

According to *Restaurants & Institutions*' most recent "Tastes of America" survey, chicken is being ordered more and more frequently. The survey asked consumers to name the entrees they were ordering more often, and in 1981 chicken ranked fifth in terms of the most-frequently ordered entrees. By 1982, however, chicken had jumped into third place. Almost 22 percent of the respondents said they were ordering more chicken. Entree-salads and seafood were ranked one and two, respectively. Fresh vegetables ranked fourth in popularity in 1982.

The growing popularity of these items underscores Americans' desire for more nutritious foods. NRA's recent Gallup survey question which dealt with nutrition and eating out confirmed this trend. For example, it revealed that approximately one out of 10 of those who say they have changed their away-from-home eating habits has opted for more poultry. Thus, restaurateurs can also promote chicken for its nutrition.

Many restaurateurs have already done so. When *Restaurants and Institutions* "1983 Menu Census" asked operators to list the items they had most frequently added to their menus due to increased popularity, chicken easily captured the number one spot. Almost 14 percent of the restaurateurs said they had added chicken entrees to their menus.

What type of chicken are consumers ordering?...

Examining consumers' preferences for different types of chicken dishes should help restaurateurs more effectively satisfy their customers' demands for this particular entree. According to a recent Gallup poll, fried chicken is still the number one choice of most consumers. Although an increasing number of Americans are professing concern about their health and diets, they still most often mention fried chicken as the type of chicken they would choose in a restaurant. Nearly four out of 10 respondents expressed a preference for fried chicken, while roast or broiled chicken was mentioned by approximately two out of 10 consumers. A somewhat smaller number of individuals—14 percent—said they would order barbecued chicken, and only two percent named boiled chicken as the type of chicken they would order.

Although fried chicken is the top choice among all age groups, it is especially popular among young adults. Nearly half—47 percent—of the 18 to 24-year-old respondents said they would order fried chicken, while a smaller number of the 25 and older group—36 percent—indicated they would choose fried chicken. Barbecued chicken is also much more popular among 18 to 24-year–olds. Almost three out of 10 said they preferred this type of chicken, compared with only 12 percent of the older respondents.

Older adults, on the other hand, prefer roast and broiled chicken. One in four consumers aged 35 and older reported they would choose roast chicken. And over one in five of the respondents between 25 and 64 said they would order broiled chicken. In contrast, only about one in 10 young adults selected chicken prepared by either of these methods.

Interesting variations in the regional preferences of consumers were also evident in the Gallup poll. As can be expected, fried chicken was most popular in the Midwest and the South. Barbecued chicken seems to be most appealing to Western residents and was almost as frequently mentioned as fried chicken by these individuals. Roast chicken is much more popular in the East than in any other region and was preferred by more Easterners than fried chicken.

Operators will want to closely examine their concept and patron base before making a decision on what type of chicken entree to add to their menu.

Chicken offers a great deal of opportunity...

To capitalize on America's growing appetite for poultry dishes, many restaurateurs have developed imaginative ways to serve chicken. Even though fried chicken is still a favorite dish, many other types of chicken entrees are gaining in popularity.

For instance, some chicken chains are serving an offshoot of the reliable fried chicken—spicy fried chicken. Marketeers thought spicy chicken would gain acceptance primarily in the South, but it's been remarkably successful across the country. Chicken sandwiches, both fried and baked, are now offered by many restaurants. Chicken as a finger food has also been well received and is served in many forms—from chicken nuggets to chicken nachos. A tasty type of Mexican chicken that is cooked on gas or charcoal grills with steaming corn tortillas and salsa is quickly gaining popularity. Buffalo chicken wings, cooked in a spicy sauce and dipped in blue cheese, is also a creative variation of a basic chicken dish.

All in all, chicken's image has changed. Chicken has gone through many stages—from a luxury item to a basic staple of the American diet and now to a popular dish served in a variety of imaginative ways. Most importantly to restaurateurs, chicken is a relatively cost-efficient item that offers endless possibilities for creative restaurant operators. And since the demand for chicken shows no sign of slackening, restaurateurs may want to add a few poultry dishes to their menus to take advantage of this soaring trend. ❑

Eating and drinking place failure trends

Now that the economy is moving in a positive direction, restaurateurs may be interested to know how well the restaurant industry weathered the recession compared with other businesses. One way to gain this type of overview is to examine the failure rate of eating and drinking places relative to other business organizations, particularly other retail establishments.

As can be expected, during recessionary periods the failure rate of most business types increases, and as the economy improves, the failure rate declines. For instance, compared to the early 1970s, the period between 1976 and 1978 experienced a steady drop off in the number of eating and drinking place failures. Starting in 1979, however, the number of eating and drinking place failures began to increase, and during the 1980-1981 recession the failure rate grew substantially. Dunn & Bradstreet's most recent statistics, which include only the first five months of 1982, indicate the failure rate did not slow significantly during that time—the result of a lingering recession.

The current economic upturn should help reduce the number of business failures as consumer spending and improved economic conditions brighten the overall picture for most businesses—particularly eating and drinking places.

Although the following information only reflects failure rate data through the first five months of 1982, it does demonstrate how eating and drinking place failures have compared with other businesses. NRA will continue to monitor these trends and present an update as soon as information becomes available.

Number of restaurant failures rise in early 1982...

Dun & Bradstreet tracks the failure rate of many types of industries, including the retail trade sector which includes eating and drinking places.[1]

According to the most recent Dun & Bradstreet data, during the first five months of 1982, eating and drinking place failures totaled 769—a 47.9 percent increase over the 520 failures recorded during the same period one year earlier. This is somewhat higher than the total retail trade sector average, which reported a 38.2 percent rise in the number of failures during the first five months of 1982.

Looking at the latest annual figures available, the number of eating and drinking place failures totaled 1,366 in 1981—a 44.1 percent increase over the 948 failures in 1980. However, this is only slightly higher than the 40.2 percent increase in failures reported for all retail establishments in 1981. Even so, that year eating and drinking places recorded the largest number of failures since 1960 when 1,426 such establishments filed for bankruptcy. Some of the factors contributing to the number of failures were the continuing recession, high inflation rates and weak consumer demand.

To put these failure rates into a more understandable perspective, Dun & Bradstreet breaks their statistics into the number of failures per 10,000 operations. The failure rate of eating and drinking places was 37 per 10,000 in 1981—up from 26 per 10,000 in 1980 and 17 per 10,000 in 1979. Even though the failure rate of eating and drinking places has steadily increased, it is still well below the average retail trade failure rate, which was 47 per 10,000 in 1981. The eating and drinking place failure rate was also substantially lower than the total rate for all national industries, which averaged 61 per 10,000 in 1981.

The eating and drinking place failure rate ranked 14 among the 23 retail business sectors—an indication that eating and drinking places fared somewhat better than many other retail industries. The highest failure rate was recorded by infants and children's wear stores—114 per 10,000—and the lowest rate among retail establishments was achieved by department stores with 16 per 10,000 failures.

Liabilities incurred by eating and drinking place failures also rose during the first five months of 1982, but at a much slower pace than in the total retail trade sector. Eating and drinking place liabilities totaled $140 million between January and May 1982—a 27.6 percent increase over the $110 million reported during the first five months of 1981. This is a relatively slight gain compared with the total retail sector, which experienced a five-fold jump in liabilities during the same time period. The tremendous in-

crease was due primarily to unusually large liabilities posted by lumber, building materials and hardware stores.

On an annual basis, liabilities incurred by eating and drinking places also increased in 1981, reaching $266 million—a 38.4 percent increase over 1980's $193 million. This was still much lower than the 57 percent average increase in liabilities recorded by all retail businesses and the 50 percent rise reported for all national industries.

Why do businesses fail?...

According to Dun & Bradstreet, lack of managerial expertise is the major factor in nine out of 10 business failures. In 1981, most retailers, however, reported that inadequate or slow sales were the primary causes for their business's failure. Eating places also experienced slow sales during 1981 and posted a relatively slight 1.3 percent rise in real sales after registering declining real sales in 1979 and 1980. A smaller proportion of retailers reported that significantly higher operating costs—a result of continuing inflation—also contributed to a large number of business failures in 1981.

How can restaurateurs avoid failure?...

The restaurant industry, perhaps more than many other businesses, is highly dependent on general economic trends. The restaurant business thrives during positive business cycles, but is apt to experience sluggish periods during economic downturns. One way restaurateurs can more successfully weather periods of an economic decline and build on periods of economic growth is by tuning into their customers' changing wants and needs. By adapting to consumer preferences, restaurant operators should be able to boost their restaurant's overall success. Keeping up with the industry's latest management techniques, implementing financial planning and keeping abreast of equipment innovations are also ways to insure an operation's profitability. Educational programs and information on these and other valuable areas are available from NRA and are specifically designed to help foodservice operators not only increase their establishment's chance of success but also avoid failure.

[1]Readers should be aware that Dun & Bradstreet statistics do not represent total business discontinuances. Failures reported here include only those concerns involved in court proceedings or voluntary actions with loss to creditors. Businesses who have paid off their creditors are not included. ❑

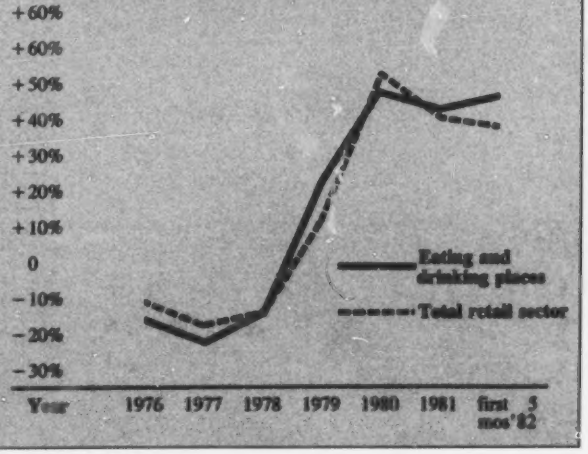
Number of eating and drinking place failures

1940 through first five months of 1982

Year	Number of failures
1940	1,219
1950	831
1960	1,426
1970	940
1976	779
1977	606
1978	515
1979	633
1980	948
1981	1,366
First five months 1982	769

Percent change in number of failures—eating and drinking places and total retail sector

1976 through first 5 months of 1982



Source: Dun & Bradstreet

Failures in specific retail and manufacturing lines

Rate per 10,000 Operating Concerns—1981

Lines of business	Failure rate per 10,000 operating concerns
Infants' & children's wear	114
Furniture & furnishings	84
Dry goods & general merchandise	78
Sporting goods	78
Lumber & building materials	64
Women's ready-to-wear	61
Men's wear	57
Appliances, radio & TV	56
Cameras & photographic supplies	46
Auto parts & accessories	46
Shoes	42
Books & stationery	40
Bakeries	39
Eating & drinking places	37
Hardware	37
Automobiles	34
Gifts	33
Toys & hobby crafts	26
Jewelry	24
Women's accessories	23
Groceries, meats & produce	21
Drugs	20
Department stores	16

June/July/August
Summary

CREST REPORT

CREST Highlights

- The summer quarter was the fourth consecutive period of traffic growth. Customer traffic at the nation's restaurants rose 1.3 percent.
- Visit frequency declined slightly during the June-July-August period, dropping 0.4 percent.
- Restaurant sales jumped 9.3 percent in the summer quarter, compared with a 7.6 percent gain in the spring quarter and a 7.0 percent increase during the winter.
- Restaurateurs are using fewer promotions to build customer traffic. Only 9.9 percent of all meal occasions involved a promotion during the summer, down from 11.0 percent in the spring.
- Family restaurants posted the highest gains in customer traffic. Fast food and atmosphere/ specialty establishments experienced more modest positive growth.
- Breakfast again captured the number one spot in traffic increases—posting a 14.7 percent jump in customer counts. The dinner meal recorded a sizable gain, while the lunch period and snacking occasions experienced declines in customer traffic.

Customer traffic rises modestly

In spite of consumers' increased confidence in the business environment and a brightening economic picture, CREST data reported only a modest 1.3 percent gain in customer traffic during the June-July-August period over the same three-month period in 1982. This advance, however, does continue a positive growth trend and marks the fourth consecutive quarter of traffic advances. Customer counts increased 2.2 percent in the spring quarter, 2.4 percent during the winter and 2.9 percent in the fall period.

Even so, there was a general expectation that the strengthening economy would stimulate a more substantial increase in restaurant patronage this summer. One reason for the slower than expected growth could be that consumers are opting to spend more on durable items than nondurable goods (which include meals away from home) at this initial stage of the recovery. This may be due to high levels of pent-up demand for durable products such as housing, automobiles and appliances.

NRA believes the CREST figures somewhat understate trends occurring in the restaurant market and suggests also looking at other industry sources for a broader view of the movements within the industry. For instance, the Gallup "Monthly Monitor of Eating Out," which also tracks consumer behavior in the eating-away-from-home market, reports a somewhat stronger growth in customer traffic during the summer months. An average of 39 percent of the respondents in Gallup's June, July and August surveys reported eating out at least once during the preceding day—higher than any summer quarter between 1978 and 1982 but identical to the average incidence of eating out during the spring quarter.

The Commerce Department is also showing a more positive growth rate for the restaurant industry. It reports eating and drinking place sales rose significantly during the summer quarter and actually advanced at a stronger pace than overall retail sales.

The outlook is optimistic...

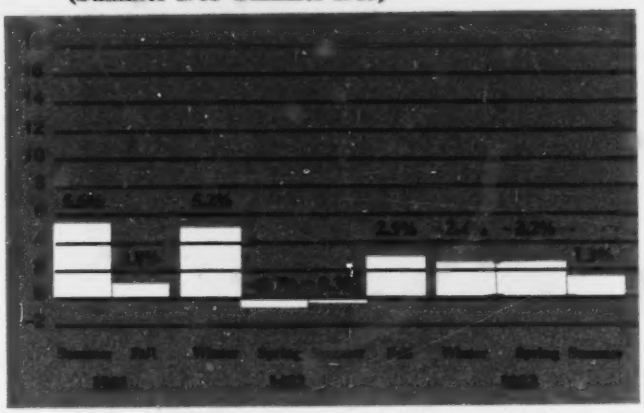
The economic outlook remains positive. This continues to bode well for the restaurant industry. The consumer confidence index has leveled off somewhat but is still at its highest level in more than four years. The inflation rate has averaged 3.2 percent for the first eight months of this year and dropped to a low 2.6 percent during the summer months. Early estimates show that household spending power, as reflected by disposable personal income, increased by 3.9 percent in the summer quarter—another indicator of a strengthening economy. Consumer spending has also increased. The savings rate dropped to five percent of disposable income.

As the economy continues to gather momentum, and retail sales and consumer spending increase, restaurant sales and customer traffic levels should also advance significantly. Due to these positive signs, NRA has revised its sales forecast for 1983—expecting eating places to experience a higher real sales growth than originally predicted. (The December issue of *NRA NEWS* will include a complete 1984 forecast as well as the revised 1983 growth rates.)

Families dining out slightly less often...

The average number of times families visited restaurants—visit frequency—declined slightly during the summer quarter. Visit frequency dropped 0.4 percent during the summer, compared with a strong 2.7 percent rise in the spring, a small 0.8 percent increase in the winter and a one percent decrease in the fall.

Percent change in quarterly customer traffic (Summer 1981–Summer 1983)



NOTE: *Percent change is from the same quarter in prior year.*
Source: CREST, NPD Research, Inc.

An analysis of visit frequency by restaurant type shows that fast food restaurants experienced the largest gain of any category during the summer quarter—up 2.8 percent. Family style establishments also posted an increase in visit frequency—a slight 0.7 percent rise. Atmosphere/specialty restaurants and cafeterias, however, showed decreases in the average number of visits per family—down 2.9 percent and 11.7 percent, respectively.

Restaurant sales jump 9.3 percent...

CREST sales continued to strengthen during the June-July-August quarter—rising 9.3 percent over the same period one year earlier. This compares with a 7.6 percent gain in the spring, a 7.0 percent rise during the winter and a moderate 5.0 percent gain in the fall quarter.

The average expenditure for a restaurant meal or snack—per person check size—also increased significantly during the summer period and contributed to the summer's healthy restaurant sales. The average check size increased by 7.9 percent in the summer quarter—up from 5.3 percent during the spring period, 4.5 percent in the winter quarter and 2.1 percent in the fall.

The 7.9 percent average check size is somewhat higher than the 4.1 percent gain in menu prices recorded by the Consumer Price Index (CPI) for food away from home during the same period for the following reasons. Customer counts were up at meal periods that have higher check averages and down during periods that have lower check averages. For instance, supper traffic increased significantly, while customer counts for lunch declined. An increase in the average number of items ordered also helped boost the per person check size.

Promotion usage levels off...

Restaurant operators continue using promotions as a way to build customer traffic, but the level of usage has dropped. During the June-July-August period, 9.9 percent of the meal occasions involved a promotion—down slightly from 10.0 percent during the same three-month period one year earlier. Promotional usage is also lower than the spring

quarter's 11.0 percent, the winter period's 12.9 percent and the 10.9 percent rate during the fall quarter.

Looking at the use of promotions by restaurant type shows that fast food restaurants continue to use promotions more often than do other restaurant types. However, the level of usage dropped from 12.5 percent during the summer period of 1982 to 12.0 percent this summer. Atmosphere/specialty restaurants also decreased their usage of promotions during this period—down from 10.3 percent one year earlier to 9.4 percent. Family restaurants and cafeterias increased their promotional usage from the prior year and reported levels of 10.2 percent and 6.6 percent, respectively.

Traffic rises at family restaurants. . .

Family restaurants posted the most favorable gains in traffic during the summer quarter, while customer counts at fast food, atmosphere/specialty restaurants and coffee shops increased somewhat more modestly. Traffic levels at cafeterias, however, dropped during the June-July-August period.

Traffic rose a substantial 7.3 percent at family restaurants in the summer quarter over the same period a year ago. A hefty increase in the percentage of families visiting family restaurants helped boost traffic.

The per person check size at family restaurants rose 4.0 percent in the summer quarter over the same period a year ago. This compares with a larger 7.9 percent average increase for all restaurants. Promotions were used on 10.2 percent of the occasions at this restaurant type—up from 9.6 percent one year earlier. These factors may have contributed to consumers perceiving a favorable price/value relationship for a meal at family restaurants and contributed to the rise in traffic.

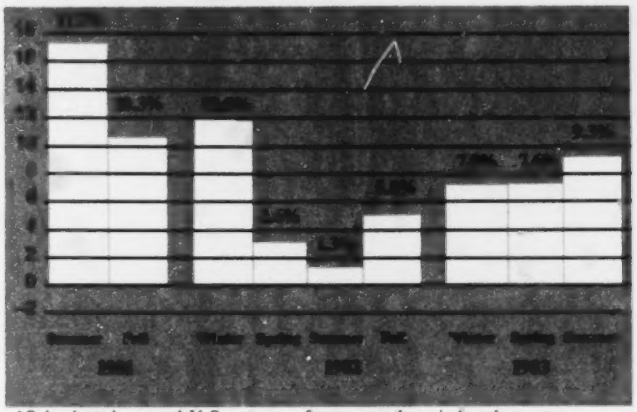
Customer counts at fast food restaurants rose a moderate 2.5 percent in the summer quarter—the lowest increase in four quarters and somewhat slower than the 2.9 percent gain posted during the spring period. Although the number of visits by patrons increased a modest 2.8 percent in the summer, a 2.1 percent drop in the average number of persons per occasion may have contributed to the slow growth.

Promotional usage continues to drop at fast food establishments which could also be a factor for the moderate traffic growth. Promotions were used on 12.0 percent of the meal occasions during the June-July-August period—the lowest level in over a year. Perhaps customers have come to expect certain discounts from this restaurant type and are opting to visit other establishments when promotions are not offered. The per person check size rose 6.1 percent at fast food restaurants which helped boost overall sales 8.7 percent during the summer quarter.

CREST data can be helpful to restaurateurs

The CREST information presented here can be useful to restaurateurs as a base for comparing their operations with industry performance nationally as well as with performance within their specific restaurant category (fast food, family, atmosphere/specialty restaurants). CREST data can also help monitor performance for specific meal periods and identify how segments will be affected by economic conditions. More detailed CREST information is available to NRA members through the research and information service department of the National Restaurant Association, 311 First Street, N.W., Washington, DC 20001.

Percent change in quarterly CREST sales* (Summer 1981–Summer 1983)



*Sales based on total U.S.; average for two-week period each quarter.

NOTE: *Percent change is from the same quarter in prior year.*
Source: CREST, NPD Research, Inc.

Atmosphere/specialty restaurants experienced a small but positive gain in customer traffic during the summer quarter—0.6 percent. However, this was significantly weaker than the 3.9 percent rise recorded during the spring period. Visit frequency declined 4.7 percent during the summer, which probably contributed to the slower than average traffic growth.

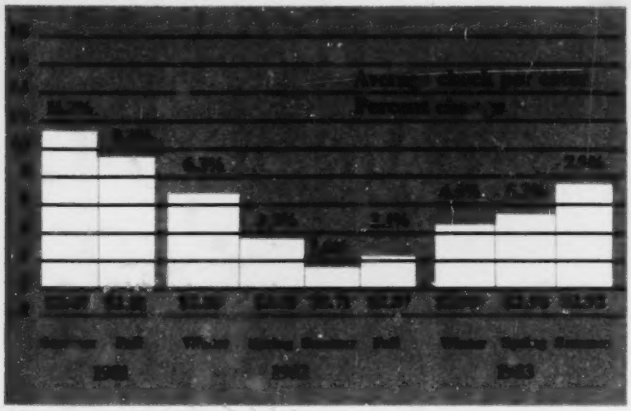
The per person check size at upscale restaurants rose significantly—11.1 percent. This is substantially higher than the 7.9 percent increase reported for all restaurants. The gain in check size, however, helped boost sales 11.7 percent for this restaurant type—the largest increase among the various restaurant types. Promotional usage dropped at atmosphere/specialty restaurants during the summer period and was used on 9.4 percent of the eating occasions, compared with 10.3 percent one year earlier.

Coffee shops experienced a very slight gain in traffic during the summer quarter. Take-out restaurants and cafeterias both reported decreases in customer counts in the summer period. Again very small gains or actual declines in both the number of families visiting these restaurants and/or visit frequency contributed to the drop in customer traffic at these establishments.

Breakfast counts continue to rise. . .

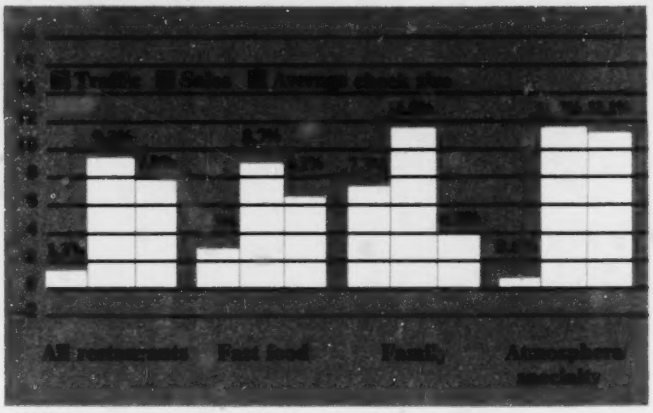
Traffic rose at both the breakfast and supper meal periods, while customer counts declined for the lunch and snack meal occasions. Breakfast easily captured the number-one spot—customer traffic for the first meal of the day was up an impressive 14.7 percent advance during the summer quarter. This is somewhat less than the unusually high 17.0 percent gain recorded during the spring period. A substantial 6.0 percent advance in visit frequency contributed to the healthy rise in customer traffic during the summer months. The number of families eating breakfast away from home also increased significantly—9.1 percent—which helped boost traffic levels. Promotions accounted for 8.7 percent of breakfast occasions during the most recent CREST period, up from 7.8 percent one year earlier. This also may have contributed to the strong traffic growth. The average check size advanced 4.5 percent during the summer—much less than the 7.9 percent average for all restaurants. Together, these factors probably helped consumers

**Average per person check*
(Summer 1981–Summer 1983)**



*Based on average two-week period.
Source: CREST, NPD Research, Inc.

**Summer quarter performance
by restaurant type**



NOTE: *Percent change is from the same quarter in prior year.*
Source: CREST, NPD Research, Inc.

feel they were receiving a good value for the breakfast meal. The continuing increases in breakfast traffic seem to indicate more and more patrons are choosing to eat this meal away from home. Restaurateurs interested in improving customer counts may want to consider emphasizing the morning meal.

Customer traffic during the evening meal advanced 4.4 percent in the summer quarter, up significantly from the 2.2 percent rise in the spring period. A fairly strong increase in the number of families eating dinner out, along with a modest gain in visit frequency, probably contributed to the traffic gains. The average check size for the dinner meal experienced a fairly high increase—7.4 percent—during the summer period. This rise helped sales for the dinner period advance a substantial 12.2 percent. Promotions were used on 13.8 percent of the dinner occasions, down somewhat from 14.1 percent one year earlier.

Restaurant traffic at lunch dropped slightly during the summer quarter—0.4 percent. This compares with a slightly more positive 0.7 percent gain recorded during the spring period. Visit frequency for the mid-day period declined a small 0.6 percent, and the number of families eating lunch in restaurants rose only slightly—0.9 percent. Both of these factors contributed to the slowdown in customer counts. Promotional usage was 8.5 percent for the lunch period—even with the same period one year earlier.

Snacking occasions experienced a substantial drop in customer traffic during the June-July-August period. Customer counts declined 7.4 percent compared with one year earlier. Contributing to this decrease was a significant drop in visit frequency—8.3 percent—during the summer period. Snacking occasions usually account for approximately 20.0 percent of all eating occasions in the summer months; but during the June-July-August period of this year, they accounted for only 18.7 percent of the total customer traffic. These figures indicate families are continuing to snack away from home less often.

—Cecelia Niepold

What is CREST?

Launched in September 1975, the CREST (Consumer Reports on Eating Share Trends) survey is designed to track expenditures and behavior in the commercial segment of the foodservice industry. While the study does track chain trends, it contains a great deal more data, including information by type and classification of restaurant and also by meal or snack period.

Some 10,000 families, or approximately 30,000 persons, participate in the study. They have been selected to represent the demographic patterns in the U.S. Each family is asked to record restaurant experiences for a particular two-week period for each of the four quarters during the year. Because the study is repetitive, it creates an excellent opportunity to follow changing trends.

In order to properly complete the CREST diary, several steps are involved. The first step requires that each household member make a daily entry for each meal during the two-week period. Whenever the code for restaurant purchases appears, the participant is asked to elaborate on the occasion by making further entries in the diary.

The second portion of the diary is used only if a household member ate or obtained food prepared away from home in establishments such as restaurants, hotels and motels, fast food/drive-ins, delicatessens, refreshment stands, carryouts, coffee shops, donut shops, ice cream shops or eating places inside variety stores or other retail stores. The diary will not include any meals eaten at schools, hospitals, colleges or other institutional feeding places. When the two-week reporting period is complete, the diary is returned to NPD Research, Inc.

The CREST study is a joint effort of individual foodservice organizations acting in concert to fund a study perhaps beyond the economic reach of any of the individual participants. NRA is solely a participant in this study and not a sponsor. Readers wishing more information on how to participate in the CREST study should contact NPD Research, Inc., 9801 West Higgins Road, Rosemont, IL 60081.

The CREST study is designed to provide information on customer behavior, not attitudes. This study will, therefore, provide the user with information on how much people spend, where they spend, what they spend on and so forth. It will not tell people's attitudes toward a particular issue. Because it is an ongoing study, it will allow comparison against a standard—and aid in the development of trend analysis. This enables the operator to make decisions based on documented trends rather than on casual observation.

MAKING PUBLIC RELATIONS WORK FOR YOU

by Linda Kundell, president, Linda R. Kundell Associates, New York, NY

Ever wonder why some restaurants seem to garner all the publicity, while others whose cuisine, ambiance, and service are equally good, don't seem to get the same attention? The answer more often than not lies in public relations.

Why public relations? . . .

Public relations is a potent tool that can help position your restaurant or restaurant product and lead to increased business. It can gain your restaurant or product important exposure, credibility, a distinct image and increased sales.

If you're a restaurateur or have a product you want the public to sample in restaurants, you need public relations for several reasons. First and foremost, you want to draw attention to the establishment to increase business. Carefully planned public relations campaigns can help you achieve these objectives, sometimes at surprisingly low cost.

Broadly defined, public relations is the art of obtaining editorial coverage, of getting your message in print or on the air. As opposed to advertising, where you buy space and are guaranteed that your message will run in a certain place at a certain time, public relations offers no such guarantee.

What it does offer, however, is a credibility you can't buy with dollars because your restaurant or product is featured in the editorial space that readers look to for their information. Some people like to call it "free" publicity since you don't pay for the space. What you may pay for, however, is the expertise of a professional public relations agency to produce the kind of results you want.

Before you begin a publicity campaign, you should

- decide on your objectives
- allocate a portion of your marketing budget for public relations expenses, such as printing or project fees, if you hire an agency and
- decide how much time you and your staff can actually devote to planning, developing and executing a publicity campaign.

The press campaign . . .

The press release—a statement about a specific event, product or service you want to promote—is your major tool. Since many newspaper editors in larger cities receive up to 200 releases a week, you'll have heavy competition. To compete, your releases must be easy to read and concise.

If you're planning to write your own press releases, here are some tips.

Your releases should give information or announce a new event.

Remember to

- limit your release to two pages
- double space and use only one side of the page
- staple your pages and indent paragraphs
- leave ample margins
- avoid superlatives and
- give information not a sales pitch.

Next, send your press information to the correct editor, and be sure you spell that person's name accurately. You may wish to follow up with a phone call. Since many editors work under heavy pressure, be courteous and direct about why you're calling.

Telephone etiquette is of utmost importance when dealing with editors. Understandably, you may want to screen your calls; but if a reporter calls, don't put him or her through the third degree because this can undermine rapport.

If you're busy, take the reporter's name and number, and return the call as soon as possible. Don't keep reporters waiting on the phone or ask them to call you back. They may be on a tight deadline, and your prompt response can make the difference between your getting into print or not.

Know the difference between giving information and selling. There's a fine line. Editors want information, not a sales pitch. By giving them facts, you'll develop credibility.

When to use an agency . . .

If your message is geared to a limited audience—one or two local newspapers and a handful of local television and radio stations in a small city—you may want to conduct your own promotional effort. However, if you want to attract out-of-town visitors, traveling business people and convention business people who might read about you in another city or state—consider using an outside public relations practitioner or agency.

Why? Time is one consideration. You may be diverting productive hours from running your establishment thus cutting into your efficiency. You also may not have the expertise—the writing ability, analytic skills and media contacts—that public relations professionals take years to cultivate.

Hiring an agency . . .

Suppose you decide to hire a public relations agency or service. What should you look for? Get an idea of the agency's track record. Ask to see sample press releases prepared for other clients and press clippings.

Determine whether the agency can see creative potential in your restaurant and whether it can uncover angles you may not have thought of. Be sure the agency sees your publicity in terms of an overall marketing plan. Then, find out how you can best work together.

Effective public relations calls for patience. Allocate at least six months to publicizing your restaurant or product. It takes that long to build recognition. Remember, newspaper feature sections work three weeks ahead of the publication date, while magazines work three to four months ahead. Lastly, be wary of anyone who promises anything too good to be true. It usually is! ❑

NRA SEMINAR SCHEDULE

American Regional Cookery
11/29-30 Washington, DC
1/25-26 New Orleans, LA

Simplified Baking Workshop
12/8 Nashville, TN

Banquets and Buffets
11/14-15 Washington, DC
12/14-15 Seattle, WA
1/25-26 Reno, NV

Bar Management
11/21-23 Phoenix, AZ
12/5-7 San Antonio, TX

Controlling Beverage Costs
11/14 Nashville, TN
12/7 Albuquerque, NM

Off-Premise Catering
11/14-15 Lexington, KY
12/5-6 Atlanta, GA
1/23-24 Miami, FL
1/30-31 Boston, MA

Computers in Foodservice: A Primer*
11/21 Portland, ME

Computers in Foodservice: Advanced Technologies/Now That I Have One...*
11/22 Portland, ME

Dining Room Management
11/16 Williamsburg, VA
12/5 Reno, NV
12/12 Long Island, NY
1/16 San Diego, CA
1/17 San Francisco, CA
1/30 Denver, CO
1/31 Phoenix, AZ
2/2 Kansas City, MO

Preparing a Successful Employee Handbook
11/28 Los Angeles, CA

Controlling Food Cost
11/28 Atlanta, GA
1/23 Houston, TX
1/24 New Orleans, LA

Kitchen Management
11/28 Ann Arbor, MI
11/30 Madison, WI
12/6 Des Moines, IA
1/16 Portland, OR
1/17 Seattle, WA
1/19 Los Angeles, CA

*Please note that there are basic and advanced courses on the topics of computers and labor costs. These courses are scheduled consecutively, but either program may be taken independently of the other.

Principles of Labor Cost Management*
11/21 Keystone, CO

Advanced Labor Cost Management*
11/22 Keystone, CO

Location! Location! Location! How to Successfully Negotiate and Finance Your New Operation
1/16-17 Richmond, VA

Meat: Purchasing, Preparing and Merchandising
12/6 San Antonio, TX

Creative Merchandising Techniques
11/17 Minneapolis, MN
12/15 Memphis, TN
1/23 Atlanta, GA
1/24 Miami, FL

Motivation: Increasing the Desire to Do More and Better Work
11/22 Detroit, MI
11/29 Orlando, FL
1/26 Reno, NV

How to Open and Operate a Restaurant
11/29 Chicago, IL

Operational Analysis: Understanding Foodservice Revenues and Expenses
11/14-15 Dallas, TX

Planning and Implementing Restaurant Marketing Strategy
12/12-13 Kansas City, MO

Basic Purchasing
1/9 Detroit, MI

Basic Supervision in Foodservice
11/15 Williamsburg, VA
12/13 Portland, OR

Train the Trainer
12/8 Washington, DC

NRA Conferences 1984
1/9-12 *9th Annual Tableservice Conference*, Las Vegas, NV
2/19-22 *National Conference on Computers in the Foodservice Industry*, Orlando, FL
3/19-22 *2nd Annual Conference on Alcoholic Beverage Service*, San Francisco, CA

For more information on specific seminars, contact
NRA Education
Programs Department
311 First Street, N.W.
Washington, DC 20001
(800) 424-5156

STUDY GROUP MEETINGS

Labor Relations
1/18-19 Dallas, TX

Market Research
2/29-3/2 Orlando, FL

Internal Audit
3/14-16 San Antonio, TX

Financial Officers
4/4-6 San Francisco, CA

Tax Executives
4/4-6 San Francisco, CA

Marketing Executives
4/8-11 Washington, D.C.

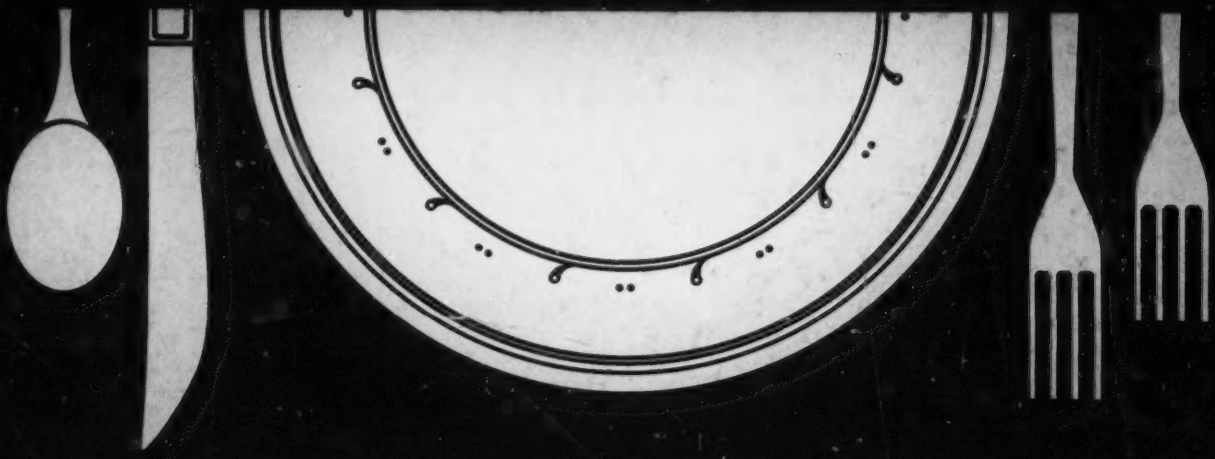
EDP
4/24-27 Clearwater Beach, FL

Purchasing
5/16-18 Chicago, IL

MAECO
5/16-18 Chicago, IL

For more information on specific study groups, contact Philip Kralovec, (312) 787-2525.

IN-HOUSE SEMINARS MAY BE ARRANGED UPON REQUEST.



A National Restaurant Association/University of Nevada at Las Vegas event

NINTH ANNUAL NRA/UNLV

TABLESERVICE CONFERENCE

January 9-12, 1984 Caesars Palace Las Vegas, Nevada

MN 11/11 MEMBER#81L004UF
STATISTICAL REFERENCE IND
CONGRESSIONAL INFO SERVICE
4520 EAST-WEST HWY #800
WASHINGTON DC 20014